125-69

JAMES H. McKENNEY,
CLERK.

Supreme Court

OF THE UNITED STATES.

No. 1086

THE EAST TENNESSEE, VIRGINIA and GEORGIA RAILROAD CO.,
Plaintiff in Error,

vs.

THE SOUTHERN TELEGRAPH CO.,
Defendant.

IN ERROR TO THE CIRCUIT COURT OF THE UNITED STATES, FOR THE MIDDLE DISTRICT OF ALABAMA.

BRIEF of GAYLORD B. CLARK

FOR PLAINTIFF IN ERROR, ON MOTION TO DISMISS APPEAL AND VACATE SUPERSEDEAS.

New York:
RUSSELL BROTHERS, PRINTERS.

Supreme Court

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THE EAST TENNESSEE, VIRGINIA AND GEORGIA RAILROAD COMPANY, *Plaintiff in Error,* *vs.* THE SOUTHERN TELEGRAPH COMPANY, *Defendant.*	*No.*_____ *In Error to the United States Circuit Court for the Middle District of Alabama.*

STATEMENT OF THE CASE.

The Southern Telegraph Company, the defendant in error, filed its petition in the Probate Court of Dallas County, a court of record, to condemn a right of way over the lands and right of way and railroad of the plaintiff in error. The railroad company intervened and propounded its interest in the property sought to be condemned, as provided by the Code of Alabama, and claimed the sum of twelve thousand dollars as the measure of its compensation for the value of the land taken and the consequent damages directly resulting from the expropriation.

The case was removed to the United States Circuit Court for the Middle District of Alabama, on the petition of the railroad company. In the United States Court the cause was regularly heard and determined, and the damages and

compensation were ascertained by the verdict of a jury and assessed at five hundred dollars, on which judgment of expropriation was entered. During the trial numerous points were reserved and made part of the record by bill of exceptions.

A writ of error was sued out, a general *supersedeas* was awarded on the execution of a proper bond, which was fixed and approved by the Circuit Judge.

ARGUMENT.

The motion for the defendant in error embraces two distinct subjects matter, viz.:

First.—To dismiss the appeal, because of the alleged absence of a controversy for an amount exceeding five thousand dollars, and

Second.—To vacate the *supersedeas* and permit the judgment to be executed notwithstanding the pendency of the writ of error.

Whether these motions can be joined under its rules of practice is a question which is here submitted for the consideration of the Court.

We claim that the motion is prematurely called, and that the proper notice has not been served on counsel for plaintiff in error, as required by Rule 6, Section 4. On the 4th of October a copy of the motion and brief was served through the mails by W. A. Gunter, counsel for defendant in error in the Court below, upon Pettus & Dawson and Gaylord B. Clark, who had been of counsel for plaintiff in error in the lower Court. Messrs. Pettus & Dawson, senior counsel below, are not attorneys of this Court and will not appear in this cause. The transcript was here filed on October 15, and not until after the filing of the transcript did Gaylord B. Clark enter his appearance and become the counsel for the plaintiff in error in this Court. We contend that Rule 6 requires service either on the parties themselves or upon the adverse counsel who *at the time of the service* represented on the *records of this Court*, the adverse party, and that such service must be complete

three weeks before the motion is called for hearing. We do not think that the defendant in error had any right to anticipate the employment for this Court of counsel who had represented the other party in the Court below, *non constat*, but other counsel might be employed as is usual in such cases. If the service was not good *when made*, it cannot be made good by the subsequent accident of employment of counsel who had been improperly served.

I.

In discussing the question of jurisdiction, we are somewhat embarrassed in not having the printed record before us. We do not think that the Court can give the question a proper investigation until the record is printed, inasmuch as the argument of the other side is to the effect that, taking the record as a whole, the absence of the jurisdictional amount in controversy is shown, and the Court is asked to look into the record to ascertain the fact.

It is first claimed in the argument that there is a general and absolute right in the Southern Telegraph Company to erect telegraph lines on the right of way of railroads in Alabama, and that the State has *donated*, as against the railroad companies, so much of the railroad companies' property as should be necessary. This extraordinary claim is sought to be established by a reference to certain constitutional clauses and sections of the Code of Alabama. The idea seems to be that the railroad company took and holds its rights of way and lands subject to the condition, that the State might appropriate them without compensation for telegraph purposes.

Section 11, Article 14, of the Constitution (Code, p. 149) merely vests in telegraph companies and individuals the franchise of constructing and maintaining lines of telegraph. It does not vest in such companies or individuals the right to take, appropriate and use any particular property.

Nor is any such right given by the sections of the Code 1930–32. By Article I., Section 24, Bill of Rights of the Constitution (Code p. 129), it is declared: "That the "exercise of the right of eminent domain shall never be "abridged or so construed as to prevent the General As- "sembly from taking the property and franchises of incor- "porated companies, and subjecting them to public use the "same as individuals. But private property shall not be "taken or applied for public use, unless just compensation "be first made therefore. * * * * "*Provided, however*, that the General Assembly may by law "secure to persons or corporations, the right of way over "the lands of other persons and corporations, and by gen- "eral laws provide for and regulate the exercise by persons "and corporations of the rights herein reserved; *but just* "*compensation shall in all cases* be first made to the owner."

Section 1932 of the Code expressly provides for compensation as a condition, and the method of ascertaining the compensation and securing the right is found in Section 3580, *et seq.*

The right of way of a railroad is its property, and its free use and enjoyment thereof is declared by the Supreme Court of Alabama to be, "the same in character and de- "gree, that the owner of the freehold has to the exclusive "use and occupation of his premises."

Mobile & Ohio R. R. Co. *vs.* Williams, 53 Ala., 595.

The construction of a telegraph line is an encroachment on the exclusive rights of the railroad.

Mills on Eminent Domain, Sec. 209.

The conclusion on page 6 of Mr. Gunter's argument is that this Court, finding as a matter of law that the railroad company is entitled to no compensation, must hold that there is *nothing in controversy.*

The record shows that the Railroad Company intervened

for its interest in the premises as permitted by Section 3587 of Code (1876).

The proceedings taken in this case were to be conducted as far as practicable according to the rules in admiralty. Sec. 3581 of Code.

In its intervention the Railroad Company propounded its right to the property and made a claim for $12,000 as the fair measure of its damages and compensation.

An intervenor has the affirmative of the issue as to the quantum of damages, he is really the plaintiff *in the controversy* so raised in the proceeding, and the amount *claimed* in his pleadings and contended for in the trial is, as to the land owner, the amount in controversy.

Burt vs. *Wigglesworth*, 117 *Mass.*, 302.
The Minnesota Val. R.R. vs. *Doran*, 17 *Minn.*, 188.
The O. & C. R.R. vs. *Barlow*, 3 *Oreg.*, 311.

This amount of $12,000 claimed by the railroad in this case has been reduced by a verdict in its favor for $500, leaving still in controversy the sum of $11,500.

The Court cannot on this motion determine what is the true amount of compensation which the railroad company should receive, that would be to pass on the merits of the case and determine the very question *in controversy*. The Railroad claims $12,000 as the proper compensation, and endeavors to fortify the claim by evidence and an application of the principles of law. The Telegraph Company on the other hand says the compensation should be nominal.

The Court is asked, pending the trial, to admit or exclude testimony tending in the one case to establish and secure the compensation claimed, and in the other case to defeat it. The court made its rulings and gave its charges adversely to the railroad company, whereby it was deprived of the greater portion of its claim. It felt aggrieved, and it seeks by writ of error to secure in this forum what it failed to get in the lower court; or, at least, to secure here the enunciation of such principles of law as will in their application insure the compensation for which *it is still contending*.

The court is asked by the other side to look into the bill of

exceptions and to there find in the testimony of *some* of the witnesses the absence of the jurisdictional amount. We contend that in that portion of the testimony embraced in the record the jury would have been warranted in finding the full amount of the claim, and would have found a much larger sum than their verdict but for the errors of the court.

The witness Bridges testified that $5,000 was fair compensation for the value of the land actually taken, but he did not estimate the additional damages to accrue from the cutting off from the use of the railroad twenty-five per cent. of its right of way, in addition to the portion actually taken. He did testify (we speak from recollection of the record) that the damages in such case would be great. It is true that the force of this was sought to be broken by the presentation to the witness of hypotheses, but we say these have no proper place, and an exception was reserved on that very point. The witness Merriwether showed that the fair rental value of the right of way of the railroad for telegraph purposes, arranged on contract and business principles, was several thousand dollars per year, and that telegraph companies generally would be willing to give that sum for it.

Not having the record before us, we cannot go further into a discussion of the evidence. But such a discussion seems to us to be a discussion of the merits of the case. This court has never gone to the extent of analyzing the proofs in a case to arrive at the amount in controversy or of ascertaining what would have been a proper verdict. To do so would, in most cases, be to prejudge a case. And it must always needs result in a prejudgment where the quantum of damages is the controversy and the amount recovered in the judgment appealed from is below the amount of the claim.

The claim of the party having the affirmative of the issue or of the party entitled to the damages, ordinarily fixes the amount in controversy; the Court will look, however, into the record to see if the judgment of the Court below has settled any portion of the controversy, and will deduct the amount settled and recovered from the amount claimed and will hold only the balance to be in controversy. We do not

see how the Court can in such cases safely look beyond the pleadings and orders in the cause.

Hilton *vs.* Dickinson, 108 U. S., p. 165, we think goes no further than this.

The calculation as to how many square inches of space is covered by the bases of the poles, and fixing a value on this portion so taken belittles the question. The land shadowed by the wires is as much taken as that on which the poles rest, to say nothing of a strip twenty-five feet in width along the whole line of railroad which is cut off from the railroad by the construction of the line of telegraph. It can hardly be expected that the estimate of damages in such a case is to be wholly determined by the number and size of the holes in the ground.

II.

We come now to the motion to vacate and set aside the *supersedeas* to the extent of permitting the defendant in error to enter, occupy and take the property sought to be condemned notwithstanding the writ of error.

We claim first that we are entitled to the *supersedeas* in its fullest extent, and to permit a modification in the manner, and to the extent sought by the motion is virtually to refuse a *supersedeas* altogether, and to permit the execution of the judgment of the Court.

The reason urged in the brief of the learned counsel is more plausible than sound.

The claim seems to be that Section 3,593 of Code of Alabama fixes a *status* and confers a *right* in favor of telegraph companies who are seeking to condemn property. That section is as follows, viz.:

§ 3593. "*New Trials and Appeals.* A new trial may "be granted by the Court, upon good cause shown on either "side, in respect to all the land petitioned for, or in respect "to some and not as to other parcels thereof, if applied for

"within ten days after the assessment, but not afterwards. "No more than two new trials shall be granted in respect to "the same parcel. *An appeal to correct errors of law only may be "had if applied for within three months after the assessment, to "either the Circuit Court of the same county or the Supreme "Court; * * * but no appeal shall, during the pendency of it, "prevent or hinder the petitioner from occupying the land "involved therein, and proceeding to work thereon;* but the "petitioner before doing so shall pay into the Court for the "person or persons entitled thereto the amount of damages "and compensation by the jury therefor assessed."

By an examination of Article I., page 803 of Code, it will be found that nowhere in it, is any right to take private property sought to be conferred. Its whole scope and purpose is to provide machinery and regulate the practice, when by other statutes any corporation is invested with the right of eminent domain. The language of Section 3580, the first section of the Article, clearly shows this. It reads: "Whenever any corporation or person, etc. * * * shall "be entitled to acquire or take," etc., a part of this *machinery* and *practice* is the above mentioned section 3593, which provides for both new trials and appeals.

We will concede that *as long as the case was in the Circuit Court*, it was the duty of that Court to make the practice, pleadings and forms and modes of proceeding conform as near as may be to the practice, pleadings, forms and modes of proceeding existing at the time in like causes in the State Courts. This by virtue of Sec. 914 of the Revised Statutes of the United States. But when the writ of error was perfected the case was no longer in that court, and the rights of the parties as well as the law of the procedure and the practice in the cause are to be governed by the laws of Congress and the rules of this Court. The Act of Congress, Sec. 914, above cited has no further application.

Railroad Co. *vs.* Horst, 93 U. S., 291 (301).

As said by this Court: "The review of a case in this "Court is regulated by the acts of Congress, and not by the "laws of the States."

Boogher *vs.* Insurance Co., 103 U. S., 91 (95).

Referring to the Code, Sec. 3593. It cannot be contended that in the subject of new trials, the United States Court would have been bound by its terms in the face of Section 726 of Revised Statutes of the United States.

Robinson *vs.* the Insurance Company, 16 Blatch., 184 (201.)

Nor could it be well contended that the provision of the said section of the Code which directs that appeals to the State, Circuit or Supreme Courts shall be "applied for within three months," would cut off the right of a writ of error to this Court, at any time within two years, as authorized by section 1008, Revised Statutes of United States. Yet these restrictions would all have full effect were the appeal taken to the State Supreme Court from a lower State Court.

United States *vs.* Train *et al.*, 12 Federal Rep., 852 (Gray, Justice).

Whalen *vs.* Sheridan, 5 Federal Rep., 486.

The right in the plaintiff in error to a *supersedeas* as the result of the allowance of a writ of error, would be perfect were there no Act of Congress on the subject; and the writ itself is grantable in all civil actions *ex debito justitiae*, 3 Comyn's Dig., 593, Title *Error* (A).

By section 1,000 U. S. Revised Statutes, the broad effect of the writ which at common law operated as a *supersedeas* is so limited that the plaintiff in error must, as a condition to securing the effect of a *supersedeas*, first give a bond that, he will prosecute his writ to effect, and if he fail to make his plea good will answer all damages and costs.

Under the laws of the United States the plaintiff in error has a legal right to a *supersedeas* upon compliance with the conditions of the Act of Congress. The so called status and right conferred by section 3,593 of the Code of Alabama pending an appeal, is, at most, a status or right conferred on the appellee *as a party litigant*. It is in effect to declare that on such appeals as those mentioned, there shall be no *supersedeas*. This is a regulation of the status of

parties litigant pending the review of the case in the State Courts, and such regulation can have no application or effect on the review of the case in this Court, any more than would the regulations of sections 3,954 to 3,969 of the Code of Alabama govern this Court on a review of probate questions which might be litigated in the Federal Courts.

There is no complaint as to the sufficiency of the bond and no suggestion that there has been any change of condition or circumstances in the security since the approval of the bond.

Jerome *vs.* McCarter, 21 Wal., 17 (31).

It is said in the argument for the motion, that "the simple "question is, can a defendant by changing the *venue* to a "Federal Court enlarge his rights on an appeal, and practi- "cally nullify the right of eminent domain in a State "government, by subjecting to the delays incident to an "ordinary law suit?"

To the first proposition we can say without hesitation that a party's right on appeal may be enlarged by a change of juridiction from the State to the Federal Courts, if by the law of the Federal Courts the right is more extended. By recent statute no appeal in Alabama can be prosecuted after one year, but by the laws of the United States two years is allowed for review. By the laws of Alabama no appeal from a moneyed judgment can be superseded excepting upon a bond in *double* the *amount* of the judgment. Not so on a review by this court. In Alabama, a judgment may be superseded at any time within one year. Under the law and practice of this Court, only sixty days is available within which to secure a *supersedeas*. When the security is given, the plaintiff in error *has the legal right to a supersedeas*, having served his writ of error within sixty days.

Revised Statutes of United States, Sec. 1007.
Sage *vs.* Central R.R. Co., 93 U.S., 412 (417).

Nor is there by the allowance of a *supersedeas* any practical nullification of the State's rights of eminent domain.

As we have seen, the right to supersede the judgment on giving a satisfactory bond, is in ordinary cases complete. There is nothing in this case which takes it out of the rule. The controversy is not as to the State's right to the exercise of eminent domain, but as to the right of the particular person to exercise the State's right, and as to the proper compliance with the *conditions precedent* which the State has itself imposed on its exercise.

By the Constitution of Alabama, Article 14, Section 7, a land owner has a right to a jury trial, either primarily or on appeal. The Legislature of Alabama has provided that the proceeding shall take the form of a suit at law in the first instance. Article I, Chap. 17, Title 2, Part 3, page 803 of Code. This trial being had either in the Probate Court or the Circuit Court; which last is a Court of common law jurisdiction. Code, § 3581, 3598.

In such case this Court has held that when the inquiry whether the conditions prescribed by State statutes for the exercise of eminent domain takes the form of a judicial proceeding between the owner of the lands and the corporation seeking to condemn and appropriate them, the controversy *is subject to the ordinary incidents of a civil suit*, and its determination does not derogate from the sovereignty of the State.

Boom Co. *vs.* Patterson, 98 U. S., 403.
United States *vs.* Jones, 109 U. S., 513 (518.)

The Constitution of Alabama imposes a restriction on the exercise of eminent domain by the State, while the State in turn imposes certain restrictions and conditions on the parties to whom it has delegated the authority.

The Constitution of Alabama, Article I., Bill of Rights, section 24, declares:

"That the exercise of the right of eminent domain shall "never be abridged or so construed as to prevent the Gen- "eral Assembly from taking the property and franchises of "incorporated companies, and subjecting them to public use "the same as individuals. But private property *shall not* "*be taken or applied for public use unless just compensation be*

"*first made therefor*; nor shall private property be taken "for private use, or for the use of corporations, other than "municipal, without the consent of the owner; provided, "however, that the General Assembly may, by law, secure "to persons or corporations the right of way over the lands "of other persons or corporations, and by general laws "provide for and regulate the exercise by persons and cor- "porations of the rights herein reserved; *but just compensa- "tion shall in all cases be first made to the owner.*"

The Southern Telegraph Company is a foreign corporation, and as such, by its petition filed in the Probate Court of Dallas County sought to exercise the right of eminent domain in expropriating the property of the railroad company.

By Section 1930 of the Code of Alabama (1876), all telegraph companies, foreign and domestic, are authorized to construct, maintain and operate their lines of telegraph along any of the railroads and other public highways of the State, but they must be so constructed and maintained as not to obstruct or hinder the usual travel on such railroads, etc. Section 1931 gives such telegraph companies the power to contract with the owner of lands, franchise or easement for the right of way there over; and Section 1932 confers upon such companies a right of way over the lands, franchises and easements of other persons and corporations, and the right to erect poles and to establish offices, *upon making just compensation.*

It will be observed that the exercise of the right of eminent domain for telegraph purposes is by the statute limited to "*telegraph companies chartered or incorporated* by "this or any other State." Unless they be such, the right does not exist, and any effort by any other person or class of persons to secure such right is without warrant of law, and is void, notwithstanding the machinery provided for estimating the damages and compensation may be resorted to in the strictest conformity with the provisions of the statute.

Here then we have the first restriction to the right of entry and occupation, viz.: the company must be a *telegraph*

company—*i. e.*, a company organized for and authorized to do a general telegraph business—and such company must be incorporated or chartered by one of the States.

Atlantic R. R. *vs.* Sullivan, 5 Ohio St. R., 276 (Mills, § 61.)

The Constitutional restriction on the exercise of the right is that *just compensation* shall in all cases *first be made* to the owner *before* the property can be *taken* or *applied*.

Without this condition precedent the title of the owner to the land is not divested or affected.

The Railroad Co. *vs.* Jones, 68 Ala., 48 (on p. 52).

If the telegraph company be a foreign corporation there is still another restriction which must be complied with. The Constitution of Alabama, Article 14, Sec. 4 (Code p. 148) declares that "no foreign Corporation shall do "any business in this State without having at least one "known place of business and an authorized agent or "agents therein."

No telegraph company has the right to acquire property *in invitum* simply for the purpose of holding it. It can only thus acquire property and rights when it has, *at the time*, the right to conduct its telegraph business on and over the very property sought to be acquired. The right to conduct its business and to subordinate the condemned property to telegraph purposes in the case of a foreign corporation depends upon a previous compliance with the last above cited clause of the constitution. Say the Supreme Court of Alabama, in the case of the American Union *vs.* the Western Union Telegraph Company, 67 Ala., 26 (30): "This clause of the "constitution is prohibitory and needs no legislation to carry "the prohibition into effect or to give it force. The bill "filed by the appellant fails to aver that it has any place of "business or an authorized agent in this State, it has there-"fore presumptively *no lawful right to do any business in this "State.*"

It is always a perfect defence to an effort on the part of a corporation to condemn property, to show that the corporation has no existing legal right to put the property to the uses for which it is sought to be taken.

The statutory proceedings themselves, direct certain things to be done as preliminary, and prerequisite to the expropriation. These requirements are jurisdictional and must be strictly pursued, or no legal expropriation takes place.

Mills' Eminent Domain, § 87.
Blaisdell *vs.* Winthrop, 118 Mass., 138.
East & West Ala. RR. Co., *vs.* East Tenn. Va., & Ga. RR. Co. (Sup., Court, Ala. June 1, 1884) MSS.

One of the jurisdictional facts necessary to be alleged and proved is the effort to agree with the owner for the purchase of the right.

Code Ala. (1876), § 3580.
Mills' Eminent Domain, §§ 105, 107, 109

The petition for condemnation in order to confer jurisdiction must show the right of the petitioner, must describe the land or easement over which the way, privilege or easement is claimed, and must set forth all of the use, privilege or right claimed—to enable the petitioner to do which a previous entry for survey may be made.

Code Ala., § 3580.
Mills' Eminent Domain, § 115.

And it is only upon the filing of *such* petition that the Court has jurisdiction.

Code Ala. (1876), § 3581.

Here, then, we have controversies as to the compliance with the conditions and restrictions under which our property may be taken. These controversies do not question the State's rights of eminent domain, but they involve legal

and property rights guaranteed by the State Constitution. These restrictions are by State law made obstructive to the exercise of the right of expropriation by the particular persons whom the legislature has sought to invest with its constitutionally limited right to the exercise of sovereign power.

The rights which the restrictions give to the land owner entitles him to the protection of the Courts and to a proper determination and adjudication of the questions raised before he can be deprived of the possession of his property. One of the rights of the land owner is to have the adjudication of the lower court reviewed on writ of error by this Court, and to have the judgment of this Court as to his rights in the premises.

One of the controversies in this case is as to whether or not under the circumstances the telegraph company has any power or authority to exercise the State's right of eminent domain, and yet, the Court is asked to put the telegraph company in possession under a judgment of expropriation pending the trial of the question.

The sovereign right of eminent domain inheres in the State. But the State by its sovereign people in convention assembled, through its constitution and in the interest and for the protection of the private property of the individual, has chosen to limit the exercise of the power of its governamental agencies, and to confer directly on the citizen a constitutional right as against the exercise of eminent domain.

Where the use is public, the courts cannot question the policy and propriety of the exercise of eminent domain in particular cases, but they have always arrested any attempt to expropriate where the use was not public, and have held all efforts in the name of the sovereign void and of no effect when constitutional limitations were exceeded or statutory requirements disregarded.

The courts will, on general principles of equity, enjoin any entry or attempted expropriation not had in conformity with strict law; and the public nature of the enterprise or the public emergency have not been allowed to influence

the courts, or to cloud the right of parties, although the effect of interference was to impede public works and sometimes to thwart the exercise of the right of eminent domain in the particular case. The basis of such judgments being that, in the government of constitutional liberty, the preservation of the legal rights of the individual citizen was of paramount importance.

Mills' Eminent Domain, §§ 90, 128.

In a recent case in the Supreme Court of Alabama it was held that, while in the exercise of equity jurisdiction to prevent by injunction the commission or continuance of waste, nuisances or trespasses, where only private rights and interests are involved, the Court will not interfere unless a case of irreparable injury be shown, yet the Court will not act upon this principle, but will interfere to prevent a corporation invested with the compulsory power to enter upon and appropriate the lands of other persons for their uses, from exercising that power, unless there is a strict compliance with the constitutional limitations imposed upon its exercise

East & West Ala. R. R. Co. *vs.* The East Tenn., Va. & Ga. R. R. Co. (MSS.); Sup. C., Ala., Dec. Term, 1883.

In conclusion, we see nothing in the law or practice of this Court, nor do we know of any principle, which would take this case out of the ordinary run of cases, wherein the plaintiff in error is entitled as a matter of right to a *supersedeas* pending the determination of its rights by this Court.

The sufficiency of the bond is not, and could not well be, questioned.

Respectfully submitted,

GAYLORD B. CLARK,
Attorney for Plaintiff in Error.

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Reply Brief of W. A. GUNTER and H. C. SEMPLE for Defendant in Error, on motion to dismiss appeal and vacate Supersedeas.

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In the first brief prepared an error has inadvertally been made in a statement of fact. On page 13 of that brief it is assumed or stated that the claim of $12,000 damages by the plaintiff in error was in the petition for removal, whereas it is in the intervention or answer. We will, however, endeavor to show that it is immaterial, in this case, whether it is in the one or the other.

1. In the first place, if the will of Congress, and not that of the pleader, is to govern in matters of jurisdiction, it is clear that this court cannot be governed by the mere claim, or *ad damnum*, of the pleadings. It involves no difficult task for a pleader, desiring to obtain for his client the benefit of the wisdom of this court, or to avail himself of

the delays of an appeal, to claim enough to give jurisdiction.

This court has accordingly not hesitated to look at the whole record, and to disregard the claim or *ad damnum* of the declaration, if it substantially appears that the value of the real matter in dispute is otherwise than as there stated.

Hilton v. Dickinson, 108 U. S. 174.

Gray v. Blanchard, 97 U. S. 564.

In the question of jurisdiction the court is not to be concluded by the consent even of the parties.

Cutler v. Rae, 7 H. 729.

Webster *et al.* v. Buffalo Ins. Co., 110 U. S. 386.

And, when the record does not afford satisfactory evidence of the value, affidavits may be filed, and the court will be governed by the decided preponderance of the evidence.

Whiteside v. Haselton *et al.*, 110 U. S. 296.

Gage v. Pumpelly *et als.*, 108 U. S., 164.

Now, if a party cannot give jurisdiction by claiming ten thousand dollars on a promissory note for one thousand dollars, how can he be allowed to give jurisdiction by claiming the like amount for an acre of land worth only twenty-five dollars?

Unless the law is altered so as to allow appeals and writs of error in all cases in which the *claim* of value of the matter in controversy exceeds five thousand dollars, the court must, on an objection to the jurisdiction, investigate and determine by the record, or otherwise if need be, the value of the matter in dispute. And, in such investigation, it is plain that the mere statements of the pleadings of one party are not entitled to more weight than those of the other.

If there is a contest as to the value after judgment before the judge allowing the appeal, and, on motion to dismiss, this court is governed by the decided preponderance of the evidence in retaining or dismissing the appeal, as in Gage v. Pumpelly, 108 U. S. 164, it seems that, in a case in which the value was one of the issues of trial and was determined by the jury, as in this instance, the same

decided preponderance of the evidence should be regarded as controlling, and the verdict of the jury, if according to such preponderance, should add to rather than detract from its weight or effect.

Now, in this case, the record does not show any exclusion of evidence tending to establish the value of the matter in dispute, and we say that there is substantially no evidence whatever in the record that the value of the matter in controversy is over $5,000, and that the entire evidence establishes the reverse.

Only four witnessess were examined, Dill, Bridges, Gabbet, and Merriwether. In our first brief fair, substantial and full quotations of the testimony of these witnesses are given, and we will not therefore, repeat them, but they may be found on pages 8, 9, 10, 11, 12, of that brief.

We think that but one conclusion is to be drawn from all this evidence, and that is that the jury assessed the damages excessively at $500.

But the counsel for the Plaintiff in Error complains that the force of his evidence was sought to be broken by the presentation of hypotheses. See his brief, page 6.

The only hypothesis submitted to the witness was exactly that on which the value could only be considered, viz: upon the supposition that the line as established would be kept up and maintained as required by law, and that the line of posts would be moved further out on the railroad right of way, as the necessities of the road might require. The law requires telegraph lines to be kept in good order, and makes telegraph companies liable for all damages arising from a breach of this duty, and, therefore, the witnesses, in giving their opinion as to the value of the damages for a right of way, should be allowed to do so only on the supposition of the fulfillment of such duties, and not upon the idea that they would be violated.

Mills on Eminent Domain, § 220.

Ala. & Fla. R. R. Co. v. Burkett, 46 Ala., 569.

The telegraph company proposed to condemn the right

of way subject to the right of the Railroad company to demand the line of posts be moved further out, as the necessities of the railroad required, and it was, therefore, clearly correct that the opinion of the witnesses, as to damages, should be based upon the taking and use as proposed by the telegraph company.

On the other hand, the opinions of the witnesses, Bridges and Merriwether, founded upon the supposition that the line as established would not be kept up as required by law, and that injury would result from this anticipated dereliction, and upon the further idea, that the telegraph company would not move its posts further out on the right of way of the railroad, as the necessities of the road might require, being based upon presumptives not to be indulged, are in this regard wholly worthless.

All of the witnesses examined as to value testify without variation that the damages would be nominal, on the supposition, which must be indulged, that the Telegraph company would obey the law, i. e., would keep its line in good order and move its posts further out for the benefit of the railroad, as it is required to do in the judgment of condemnation as well as by the statutes of Alabama.

Section 1930 of the Code (1876) says, * * * "Such lines of telegraph shall be so constructed and *maintained* as not to obstruct or hinder the usual travel on such railroad or other highway."

If the record, then, does not disclose any exclusion of evidence of value, and if it does not show any evidence whatever that the value of the right of way *as sought to be condemned and used*, was greater than $5,000 after deducting $500, the amount of the assessed damages, and if, on the contrary, the evidence, on the suppositions on which alone the witnesses could lawfully speak, shows that the value of the matter in controversy was nominal, and if this question of value was one of the issues of trial in the lower court, and was there assessed at $500, all of which we respectfully in-

sist is shown by this record, then, it is evident that the plaintiff in error in this case, claiming $12,000 damages in his cross-action, is very much in the condition of the defendant, in the case of Gray v. Blanchard, 97 U. S. 564, who, giving notice of a set-off of $10,000, only introduced evidence of a single item of the amount of $446. In that case, notwithstanding the claim of $10,000, the court, looking at the evidence, dismissed the appeal of the defendant.

In this case we submit that the evidence on which the plaintiff in error went to trial in the court below on the question of value, clearly shows that value to be not greater than the assessment made by the jury.

The presumption, in the absence of affirmative evidence, is against jurisdiction.—Bors v. Preston, 111 U. S. 252.

As such evidence of value was not offered on the trial below, and is not, by leave of the court, now offered, can the court indulge, to support its jurisdiction, the presumption that a *provable fact* exists, contrary to the evidence in the record?

II. The plaintiff in error was certainly the defendant below in an action in which a right of way was sought to be condemned. The *defense* of this action did not raise the question of value, for let the value be great or small the condemnation would nevertheless pass or be refused. The defendant's *claim* of $12,000 damages, then, being no plea in bar or preclusion of the demand for a right of way, cannot be regarded at all in determining the value of the matter in controversy, so far as the *condemnation* of the right of way is concerned. As the assertion of a distinct claim for damages it will be observed that it has, *in words*, and can have *in fact* no existence, except upon the granting of the right of way. A set-off pleaded is absolute, and may be recovered on, to its full extent, though the plaintiff fail in his claim, but in this instance the defendant claims nothing except upon the success of the plaintiff. How, then, can the defendant's counter claim, conditioned upon the condemna-

tion sought by the plaintiff below, and, therefore, contingent, subsidiary and posterior to such condemnation, cut any figure in that case as a pleading.

A set-off must be pleaded, but damages on an *ad quod damnum* proceeding, as a consequence of the condemnation without pleading, are determined by the weight of the evidence alone. The implied claim of every defendant in such proceedings is *full damages*, i. e., the market value of the property sought to be condemned; but the measure of the value is the conclusion established by the weight of the evidence. If that, without serious conflict, fixes the value at less than the jurisdictional amount, then, it seems jurisdiction should, in obedience to law, be declined.

III. The counsel for plaintiff in error says on page five of his brief that "The court cannot on this motion determine what is the true amount of compensation which the railroad company should receive, that would be to pass on the merits of the case and determine the very question *in controversy*." The question *in controversy* on this motion is, not what is the true amount of compensation which should have been awarded, but, whether there was, or is any *substantial* evidence that such compensation could have been more than $5,500? If, on the trial, no evidence of such value was given or offered, as we insist was not done in this case, the court is bound to conclude, as in Gray v. Blanchard, *supra*, that the claim is baseless, and to regulate its jurisdiction by the value shown, and not by that demanded.

The counsel on the same page of his brief intimates that the evidence in the record cannot be taken as a test of the value, because the court excluded testimony tending to establish the compensation claimed. We think an inspection of the record will show this to be a mistake, and that it will be found that no evidence, which should have a feather's weight as to compensation, was excluded.

At any rate, all the evidence of value is shown by the bill of exceptions, and when that of all, not "*some*," of the wit-

nesses is given the highest possible *legal effect* and *consideration*, the value essential to this jurisdiction is not made out.

H. A Gunter &
H. C Semple
attys. for deft. in Error.

TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1897.

No. 201.

NELSON LYON, APPELLANT,

vs.

THE PERIN AND GAFF MANUFACTURING COMPANY.

APPEAL FROM THE CIRCUIT COURT OF THE UNITED STATES FOR THE DISTRICT OF INDIANA.

FILED JANUARY 15, 1898.

SUPREME COURT OF THE UNITED STATES.

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JUDD & DETWEILER, PRINTERS, WASHINGTON, AUGUST 23, 1887.

1 Pleas of the circuit court of the United States within and for the district of Indiana, begun and holden at the United States court-house, in the city of Indianapolis, in said district, on the first Tuesday of May, in the year of our Lord one thousand eight hundred and eighty-four, before the Honorable William A. Woods, judge of the district court of the United States for the district of Indiana, and *ex officio* judge of said circuit court.

NELSON LYON
v.
THE PERIN AND GAFF MANUFACTURING COMPANY. } 7647. Chancery.

Be it remembered that herefore, to wit, at the May term of said court, on the 30th day of May, 1883, before the Honorable William A. Woods, judge, as aforesaid, of said court, the following proceedings in the above-entitled cause were had, to wit:

Comes now the complainant by W. H. King, Esq., his solicitor, and files his bill of complaint herein in the words following, to wit:

To the honorable the judges of said circuit court of the United States, district of Indiana:

2 The complainant, Nelson Lyon, a citizen of the United States and resident of the city and county of Albany, and State of New York, in and by this his bill of complaint, complains of the Perin and Gaff Manufacturing Company, located and doing business at Jeffersonville, in the district and State of Indiana, and respectfully shows, states, and sets forth:

I. That he is informed and believes that said defendants, at the several times hereinafter mentioned, were, and they still are, a corporation organized under the laws of the State of Ohio, and located and doing business under the corporate name and style of "Perin and Gaff Manufacturing Company," in said city of Jeffersonville and State of Indiana.

II. That heretofore and before the 9th day of July, 1872, one Joseph Barsaloux became and was the original and first inventor of an improvement in metallic stiffeners for boot and shoe heels, and thereupon he, said Barsaloux, together with Jeremiah S. James and this complainant, applied unto the Commissioner of Patents of the United States for letters patent therefor in manner and form as by statute required.

That thereafter due proceedings were had in said application, and letters patent of the United States duly signed and sealed were issued thereon and deliyered to said Barsaloux, James, and this complainant, bearing date said ninth day of July, 1872, numbered

3 128,843, thereby granting to said Barsaloux, James, and this complainant, and their heirs, executors, administrators, and assigns, for the term of seventeen years thereafter, the full and exclusive right and liberty of constructing, using, and vending to others to be used, the said invention in the specification annexed to

and forming part of said letters patent, as by a certified copy of said letters patent, in court to be produced, if required, will more fully and at large appear.

That prior to the issuing of said letters patent, to wit, on or about the 25th day of June, 1872, the said Joseph Barsaloux, by an instrument in writing, bearing date on said last-mentioned date, duly made, executed, and delivered by said Barsaloux, assigned, transferred, and set over with said Jeremiah S. James and this complainant all his right, title, and interest in and to said improvement in "metallic stiffeners for boot and shoe heels," for which afterward letters patent were granted as aforesaid to said Barsaloux, James, and Lyon, which assignment was duly recorded in the Patent Office of the United States, in liber 2^{15}, at page 259 of Transfers of Patents, as by said assignment, or a duly certified copy thereof in court to be produced, if required, will more fully and at large appear.

4 That subsequently thereto and on or about the third day of April, 1873, by an instrument in writing, bearing date on said last-mentioned day, duly made, executed, and delivered by said Barsaloux, said Barsaloux assigned, transferred, and set over unto said complainant all his right, title, and interest of, in, and to the agreement for royalty upon the manufacture of all stiffeners under said letters patent or otherwise, and in and to said patent, which instrument was recorded in said Patent Office, in liber V 18, at page 62 of Transfers of Patents, on the 7th day of December, 1874, as by said assignment, or a duly certified copy thereof in court to be produced, if required, will more fully and at large appear.

That subsequently and on or about December 6th, 1875, by an instrument in writing, duly made, executed, and delivered by said Barsaloux to said James and this complainant, said Barsaloux, in order to carry out fully his said assignment, duly authorized and requested the Commissioner of Patents to issue letters patent for said improvement to said James and Lyon, which instrument bears date on said 6th day of December, 1875, and is recorded in said Patent Office, in liber C 20, at page 279, on March 6th, 1876, as by

5 said instrument, or a duly certified copy thereof in court to be produced, if required, will more fully and at large appear.

That subsequently, and on or about May 18th, 1877, by an instrument in writing duly made, executed, and delivered by said Jeremiah S. James to this complainant, said James sold, assigned, transferred, and set over unto this complainant all his right, title, and interest "in and to said invention and the patent issued therefor, and in and to all reissues or extensions thereof that may in future be had," which instrument bears date on said May 18, 1877, and is recorded in said Patent Office, in liber V 21, at page 203 of Transfers of Patents, as by said assignment, or a duly certified copy thereof, in court to be produced if required, will more fully and at large appear.

III. That by reason of a mistake having been made in the petition for the granting of letters patent for said improvement, whereby in and by said petition it was made to appear that said Barsaloux, James, and Lyon were severally and jointly the inventors of said

improvement, whereas in fact the said Barsaloux was the true and only inventor and the said James and Lyon were merely the assignees of the whole interest in said invention and said letters patent, an application for a new patent was made to the Commissioner of Patents for said improvement, which application having been denied, a petition was presented to the Congress of the United States for the relief of the said James and Lyon.

That such proceedings were subsequently had upon said petition that the said Congress of the United States duly passed an act entitled "An act for the relief of Nelson Lyon and Jeremiah S. James," authorizing and directing the Commissioner of Patents to correct the patent dated the 9th day of July, 1872, numbered 128,843, and erroneously granted to "Joseph Barsaloux, Jeremiah S. James, and Nelson Lyon, as joint inventors, for an invention which was in fact made by said Barsaloux as sole inventor, and of which, at the time of the issue of the said patent, said James and Lyon were assignees of the entire and exclusive right, title, and interest." That said act further sets forth: "The correction shall be made upon the face of the patent, or a certified copy thereof, and by proper certificate thereof appended thereto, and when corrected the patent shall show that the grant is to Jeremiah S. James and Nelson Lyon jointly, their heirs and assigns, assignees of said Joseph Barsaloux," and that "the said patent, when corrected as herein authorized, shall be as good and valid as if it had been originally granted and issued in such corrected form."

That "it shall run for the term of seventeen years from after the date of the 9th day of July, 1872."

That "the date of such correction, which date, with a reference to this act, shall be entered upon the face of the patent or stated in such certificate, and shall be noted in the records of the Patent Office."

IV. That said act was duly approved by the president of the United States on the first day of April, 1880.

That the complainant prays leave to refer to said act and to produce a duly certified copy in court if required.

V. That subsequently to the passage and approval of said act as aforesaid, to wit, on or about the 7th day of April, 1880, the then Acting Commissioner of Patents of the United States corrected the said letters patent dated July 9th, 1872, and numbered 128,843, upon the face of a certified copy thereof (the original patent having been lost), and by a proper certificate thereof appended thereto, so that as corrected the said patent shows that the grant is to the said Jeremiah S. James and Nelson Lyon jointly, their heirs and assignees, as assignees of said Joseph Barsaloux.

That on or about said last-mentioned date said Acting Commissioner of Patents also caused the said correction to be noted in the records of the Patent Office.

That said Acting Commissioner of Patents also appended to said certified copy of said letters patent his certificate bearing date on said April 7, 1880, showing said correction, and that he has caused the correction to be noted in said records of said Patent

Office, and also a reference to said act, and also a statement of the corrections so made by him, as by said certificate, or a certified copy thereof, reference being thereunto had, will more fully appear, and this complainant prays leave to produce in court, if required, the certified copy of said letters patent as corrected, with the certificate of said Acting Commissioner appended thereto, or a certified copy thereof.

VI. That after the passage of said act and the correction of said letters patent as aforesaid, and before the eleventh day of May, 1880, this complainant for good and lawful cause and in compliance with the statutes in such case enacted, surrendered the said letters patent unto the Commissioner of Patents, and petitioned for a re-issue thereof in an amended specification and claims.

That thereafter due proceedings were had on said application and a new patent for the same invention, and in accordance with a corrected specification was on the said eleventh day of May, 1880, duly signed, sealed, issued, and delivered unto this complainant
9 dated as aforesaid the said eleventh day of May, 1880, and numbered 9198, as in and by said re-issued letters patent in court to be produced, or a certified copy thereof, will more fully appear.

VII. That your orator, the said Nelson Lyon, has, since the allowance of said letters patent, been exclusively possessed of the same and of the invention thereby secured, and that he has never assigned or granted any right, title, or interest whatever in or to said invention or to said reissued letters patent to any person or persons, firms or corporations.

That your orator further shows that the said invention and discovery claimed in and secured by said reissued letters patent numbered 9198 were and are of great utility and value; that they have been put in practical use and successfully operated; that your orator has made and sold large quantities of metallic stiffeners for boot and shoe heels, constructed according to the invention described in said reissued letters patent, and has put them into extensive and general use in this country and in foreign countries, and has, at great labor and expense built up a large and profitable business of manufacturing and selling them; that in the manufacture and sale thereof your orator, relying upon the exclusive rights belong-
10 ing to him as aforesaid, has invested a large capital in the machinery, tools, stock, and other materials and means necessary therefor, all of which, with his business aforesaid, will be greatly injured and impaired in value unless his said exclusive rights are maintained and all infringements thereof are prevented or arrested, and that although the market demand throughout the United States and the territories thereof for metallic stiffeners for boot and shoe heels constructed in accordance with the specifications set forth in said reissued letters patent has become very great your orator is fully prepared and ready and able and desirous to supply the same; that your orator advertises the sale of said stiffeners in about three thousand newspapers published in the United States.

VIII. Your orator further shows that as, as he is advised by his coun-

sel and believes and avers, his said reissued letters patent No. 9198 are valid and effectual in law and in equity to secure to your orator the exclusive rights and privileges thereby severally granted; that so far as your orator has been informed and believes the public have generally acquiesced in your orator's rights under the said reissued letters patent, and their validity has never been seriously called in question except in the suits hereinafter mentioned; that your
11 orator is entitled to the entire and exclusive use and enjoyment of all the said inventions and discoveries, and the said existing reissued letters patent, and that but for the infringements hereinafter complained of your orator would have been, and would now be, in the undisturbed possession, use, and enjoyment of said invention, discovery and improvements, and of said exclusive rights and privileges, and in receipt of the profits of the same.

IX. Your orator further shows unto your honors that heretofore, viz., before May 25, 1880, Guyon T. Fisher, Thomas C. Moss and Nancy D. Cheney, composing the firm of Guyon T. Fisher & Company, doing business at the city of Detroit, in the State of Michigan, made and sold a number of metallic stiffeners for boot and shoe heels which infringed your orator's reissued letters patent No. 9198 and in violation of your orator's rights thereunder; that thereupon your orator filed his bill in equity in the circuit court of the United States for the eastern district of Michigan against said Fisher, Moss, and Cheney, and therein prayed for a perpetual injunction to restrain the said Fisher, Moss, and Cheney, and their agents, servants, workmen, and attorneys from further infringement of said reissued letters patent No. 9198, belonging to your orator; that thereupon said
12 Fisher, Moss, and Cheney employed counsel and solicitors learned in the law and filed an answer to said bill denying the validity of said reissued letters patent, denying that said Barsaloux was the first inventor of said improvement, and denying the constitutionality of said act of Congress passed for the relief of Nelson Lyon and Jeremiah S. James, above set forth, setting up that the said invention was in public use and had been for more than two years prior to the date of the application for said original letters patent, and denying the right of the Commissioner of Patents to correct said original letters patent, and denying infringements, and pleading other defenses to your orator's said suit; and thereupon replication was filed and proof taken at large therein, and the said suit came on to be heard before said court, and was argued by counsel, both on behalf of complainant and defendants; whereupon, after due consideration, the said court overruled all of said defenses and adjudged and decreed that said act passed for the relief of Nelson Lyon and Jeremiah S. James, above set forth, was a good, valid and constitutional act.

"That the said original letters patent bearing date July 9, 1872, and numbered 128,843, granted to Joseph Barsalox, Jere-
13 miah S. James, and Nelson Lyon, when corrected by the acting Commissioner of Patents, as directed by said act, was a good and valid patent.

"That the said Joseph Barsaloux was the original and first in-

ventor of the improvements in metallic stiffeners for boot and shoe heels, mentioned and described in said letters patent.

"That the reissued letters patent No. 9198, dated May 11, 1880, granted to your orator, Nelson Lyon, for an improvement in metallic stiffeners for boots and shoes, originally patented to said Barsaloux, James and Lyon, and corrected as aforesaid, is a good and valid patent; that the complainant is exclusively possessed of the said letters patent and the invention thereby secured, and that the said defendants, both as copartners and individually, jointly and severally, had infringed upon the said patent and the exclusive rights of the complainant under the same," and directed a decree in favor of your orator and a perpetual injunction restraining said Fisher, Moss and Cheney from further infringement, and also directing the usual reference to a master to ascertain the damages, &c., suffered by your orator.

X. Your orator further shows to your honors that heretofore, to wit, in the month of September, 1881, your orator having been informed and believing that the above-named defendant Perin
14 and Gaff Manufacturing Company were manufacturing a metallic stiffener for boot and shoe heels, in infringement of your orator's said reissued letters patent, filed his bill in equity in the circuit court of the United States for the southern district of Ohio, to restrain said company from further infringement; that the said company appeared therein and answered said bill, setting up among others the same defenses as above forth in respect to the answer of said Fisher, Moss and Cheny, to which your orator filed his replication; that the statutory time to take testimony having expired and an extension thereof not being granted, and your orator not being able to get the proof of said company manufacturing and selling the infringing devices in time, no proof of any of the facts, matters, and things alleged either in the bill of complaint in said suit or in the answer thereto was offered or taken, and that upon the call of the case before the court, counsel for your orator not appearing, a decree was entered dismissing the said bill by default.

That none of the issues in said suit were tried and no decision rendered upon the merits thereof, the suit having been dismissed merely for want of prosecution and upon default.

XI. Your orator further shows unto your honors that the
15 defendant, Perin and Gaff Manufacturing Company, well knowing the premises and the rights and privileges secured to your orator as aforesaid, and in order to injure and damage your orator in his said business and to deprive him of the exclusive enjoyment and use of the said invention, and of the profits, benefits, and advantages which would otherwise accrue to him therefrom at said Jeffersonville and elsewhere within the United States of America, have, as your orator is informed and believes and so charges the fact to be, confederated with other persons whose names are now unknown to your orator, to infringe your orator's said reissued letters patent by unlawfully making, selling, and using and endeavoring to procure and induce other persons to unlawfully sell and use in this country, to wit, in said district and elsewhere, metallic stiffeners con-

taining and embodying your orator's invention and improvement aforesaid, and in pursuance of such unlawful plan the said confederates, without your orator's license or permission and in violation of his exclusive rights aforesaid, have made, sold, and used metallic stiffeners for boot and shoe heels, and are now making, selling, and using such stiffeners, all containing the inventions and improvements secured exclusively to your orator as aforesaid;
16 that each of the metallic stiffeners for boot and shoe heels so made, sold, or used by the said confederates contain inventions secured to your orator by the said reissued letters patent No. 9198, and as your orator is advised by his counsel and believes the manufacture, sale, or use thereof by the defendants was and is in violation and infringement of the said reissued letters patent No. 9198 belonging to your orator.

Your orator further shows that he has notified and warned the defendants to desist from infringing said reissued letters patent and your orator's rights thereunder, and to account to and pay over to him the unlawful gains and profits made by them and the damages your orator has suffered by reason of their unlawful acts, but that they have neglected and refused and still neglect and refuse so to do, and instead of accounting and paying over the profits, gains, and savings unlawfully derived by them and the damages occasioned by their acts as aforesaid, they at times pretend that they are not infringing your orator's said reissued patent, and at other times pretend that they are lawfully manufacturing, selling, and using metallic stiffeners for boot and shoe heels constructed according to the inventions and patents of one
17 Vega B. Morton, for improvement in stiffeners for boots and shoes, issued April 2d, 1880, and numbered 226,771, and that they have the right to manufacture, sell and use the said stiffeners so made, sold and used by them without liability to your orator therefor, but your orator charges that the contrary thereof is true; that all such pretenses are false in fact and unsupported in law; that the stiffeners so made and sold and used by the defendants, if they are inventions at all, which your orator denies, were made subsequently to the date of your orator's said original and reissued letters patent, and are, as your orator is advised and believes, mere colorable modifications and attempted evasions of your orator's patents, and give the defendants no right to use your orator's said invention; that said defendants have no right whatever, and never had any right whatever, to make, sell, or use their infringing stiffeners aforesaid, and that all the defendant's said pretenses are utterly without foundation or justification, and mere attempts to harrass and annoy your orator and to impair the well-founded confidence of the public in your orator's said reissued letters patent, and to induce others to infringe said reissued letters patent, and thus render other
18 and further expensive litigation by your orator necessary in order to maintain his exclusive rights.

Your orator is informed and believes, and therefore charges, that said defendant, Perin and Gaff Manufacturing Company, since the date of said reissued letters patent, at said Jeffersonville, in the State

and district of Indiana, and elsewhere, have made, used, and sold great quantities of metallic stiffeners for boot and shoe heels made, arranged, constructed, and combined according to the principles, construction, arrangement and combination set forth, described, and claimed in said reissued letters patent without license or permission of your orator, and contrary to and in infringement of his exclusive rights, and your orator fears that they will continue said infringement, to the great and irreparable damage of your orator in the sum, as your orator believes, of at least thirty thousand dollars.

Wherefore, that the said defendants may answer the premises; may be enjoined from the practice of said infringement pending this suit; may be perpetually enjoined from said infringement; may account to your orator for the gains and profits made by them from their manufacture, use and sale of metallic stiffeners for boot
19 and shoe heels in infringement of said reissued letters patent and your orator's rights thereunder, and that the damages sustained by your orator in the premises may be assessed, as by the statute provided, in at least the amount of thirty thousand dollars, and that your orator may have such other and further relief as may be proper and equitable—

May it please your honors to grant to your orator—

1st. A writ of subpœna in due and usual form and under usual penalties directed to said Perin and Gaff Manufacturing Company.

2d. A writ of injunction conformable to the prayer of this bill until further order of this court.

3d. A writ of perpetual injunction according to the prayer of this bill, each in due and usual form and under usual penalties, and each directed to the said Perin and Gaff Manufacturing Company and their agents, attorneys, clerks, servants and employees.

And your orator will ever pray, &c.

NELSON LYON.

WM. H. KING,
Solicitor for and Counsel with Complainant.

UNITED STATES OF AMERICA,
City and County of Albany, State of New York, } ss:

20 Nelson Lyon being duly sworn, says, I am the complainant in this action; I have read the foregoing bill of complaint and know the contents thereof, and that the same is true to my own knowledge, except as to the matters therein stated to be alleged upon information and belief, and as to those matters I believe it to be true.

NELSON LYON.

Sworn to before me this 9th day of May, 1883.
[SEAL.]
EDWIN G. DAY,
Notary Public, Albany Co., N. Y.

And afterwards, to wit, at the May term of said court, on the 11th day of August, A. D. 1883, before the Honorable William A. Woods, judge as aforesaid of said court, the following proceedings in the above-entitled cause were had, to wit:

Comes now the defendant, by Mess. Parkinson and Parkinson, its solicitors, and files its answer herein in the words following, to wit:

Plea of the Perin and Gaff Manufacturing Company to the Bill of Complaint of Nelson Lyon, Complainant herein.

This defendant, by protestation, not confessing or acknowledging all or any of the matters and things in the said bill of complaint to be true in such manner and form as the same are therein and thereby set forth and alleged for plea thereunto, saith:

21 That heretofore and before the said complainant exhibited his said bill in this honorable court, to wit, on the 5th day of October, 1881, the said complainant did exhibit his bill of complaint unto the honorable the circuit court of the United States for the southern district of Ohio against this defendant for the same matters and to the same effect, and for the same identical cause of action and relief and purpose against this defendant, as the said complainant doth by his present bill set forth.

That in said former bill of complaint, exhibited as aforesaid, the said complainant showed said alleged invention set forth in the present bill of complaint, and the grant of the said original and reissued letters patent, and each and every act and circumstance relative thereto, and the several transfers thereof, and the same title thereunder, and the same alleged infringement thereof by this defendant, and each and all other causes of complaint set forth in the present bill, all in the same terms, tenor and effect as in his said present bill, and prayed the same relief.

That this defendant thereupon appeared in said cause and duly filed its answer to said bill denying the validity of said original and reissued letters patent for want of novelty, and because said reissue was not granted in accordance with law and was for a different alleged invention from said original, and put the said de-

22 fenses in issue under and in accordance with the terms of the statute providing therefor, and denying also that the stiffeners manufactured, used, or sold by defendant infringed the said reissued letters patent; and denying that complainant was entitled to any of the relief therein prayed, being the same relief as that herein prayed.

That thereupon the said complainant filed his replication to said answer and issue was joined thereupon; that the said cause, being duly brought to hearing at a stated term of said court, and having been duly heard and submitted, the said court did, at said term, to wit, on or about the fourth day of May, 1882, find, adjudge, and decree the said issues in favor of defendant, and that said bill be dismissed at complainant's cost, which said decree and judgment was duly entered, signed, and enrolled in said court and remains in full force.

That the stiffeners complained of in said present bill of complaint, and by the manufacture, use and sale of which defendant is charged with infringement herein, and the manufacture, use and sale of which is sought and prayed by the said present bill of complaint

to be enjoined for the term of said reissued letters patent set forth in said bill, are in all respects the same as those manufactured, used and sold by this defendant prior to the filing of the said prior
23 bill of complaint, and complained of and charged as an infringement of the said reissued letters patent therein, and the manufacture, sale and use of which was therein and thereby sought and prayed to be enjoined for the term of said reissued letters patent, the right of the defendant to manufacture, use and sell which was fully and finally adjudicated by the aforesaid decree and judgment.

Wherefore this defendant doth plead the prior adjudication and decree in bar to the said complainant's said present bill, and humbly prays the judgment of this honorable court whether he shall be compelled to make any further or other answer to the said bill, and prays to be hence dismissed with his lawful costs in this behalf sustained.

[SEAL.] PERIN & GAFF M'F'G CO.,
By S. H. PERIN, *Treas.*

STATE OF INDIANA,
County of Jeffersonville, } ss:

On this 9th day of August, 1883, before me personally came Samuel H. Perin, treasurer of the Perin and Gaff Manufacturing Company, the defendant herein, and made oath that he has read the foregoing plea, that the same is true in point of fact, and that it is not interposed for delay.

[SEAL.] MELCHERT J. STANNARD,
Notary Public.

24 We hereby certify that, in our opinion, the foregoing plea is well founded in point of law.

PARKINSON AND PARKINSON,
Counsel for Def't.

And afterwards, to wit, at the November term of said court, on the 6th day of November, 1883, before the Honorable William A. Woods, judge as aforesaid of said court, the following further proceedings in the above-entitled cause were had, to wit:

This cause coming on to be heard on the plea of the defendant to the plaintiff's bill of complaint, and being argued by the solicitor for the complainant, the court, upon consideration thereof, finds the said plea to be good and sufficient and orders that the same do stand and be allowed, and the plaintiff, with leave of the court thereupon, files his replication to the said plea:

The Replication of Nelson Lyon, Complainant, to the Plea of the Perin and Gaff Manufacturing Company, Defendant.

The repliant, saving and reserving unto himself all and all manner of advantage of exception to the manifold insufficiencies of the said plea, for replication thereunto says that he will aver and prove his said bill to be true, certain and sufficient in the laws to be

answered unto, and that the said plea of the said defendant is uncertain, untrue and insufficient to be replied unto by this repli-
25 ant; that the decree mentioned in said plea was made upon default of the complainant therein, and was not rendered upon a verdict against said complainant, or upon a trial of the merits in the action, or upon a submission of the controversy by said complainant in the action mentioned in said plea; without this that any other matter or thing whatsoever in the said plea contained material or effectual in the law to be replied unto, confessed and avoided, traversed or denied, is true; all which matters and things this repliant is, and will be, ready to aver and prove as this honorable court shall direct, and humbly prays as in and by his said bill he has already prayed.

WM. H. KING,
Att'y and Counsel for Compl't.

And this cause being at issue is now referred to William P. Fishback, master in chancery of this court, to take testimony concerning the matters in controversy therein, and return the same into court with his conclusions of law thereon with all convenient speed.

26 And afterwards, to wit, at the November term of said court on the 25th day of March, A. D. 1884, before the Honorable William A. Woods, judge as aforesaid of said court, the following further proceedings in the above-entitled cause were had, to wit:

Comes now the master in chancery, William P. Fishback, Esq., and files his report and evidence herein, and said report is in the words following, to wit:

To the honorable court:

By the order of this court made November 6th, 1883, this case was referred to the undersigned, as master in chancery, to take testimony concerning the matters in controversy and return the same into the court with his conclusions of law thereon.

The only issue is one raised by the plea filed by the defendant August 11th, 1883. The bill is brought against the defendant for an alleged infringement of a patent owned by the plaintiff, the patent consisting of a metal heel stiffener used in the manufacture of shoes.

The plea states that the plaintiff in this suit filed a bill on the fifth (5th) day of October, 1881, in the United States circuit
27 court for the southern district of Ohio against these defendants for the same matters and to the same effect and for the same identical cause of action and relief as he doth by his present bill set forth.

The plea further states that the defendant appeared in said cause and filed its answer denying the validity of the original and reissued letters patent for want of novelty, and because the reissue was not granted in accordance with law and was for a different alleged invention from said original, and put the same defenses in issue under and in accordance with the terms of the statute provided therefor; and

denying also that the stiffeners manufactured, used, and sold by the defendant infringed the said letters patent; and denying that the plaintiff was entitled to the relief therein prayed, being the same relief as that herein prayed; that the plaintiff filed his replication to said answer and issue was joined thereon; that, the cause being brought to a hearing and submitted, the court did, on or about the fourth (4th) day of May, 1882, find, adjudge, and decree the said issues in favor of the defendant, and that the said bill be dis-
28 missed at the plaintiff's costs, which said judgment was duly entered, signed, and enrolled in said court and remains in full force.

At the hearing before the master the plaintiff was represented by Mr. William H. King and the defendant by Parkinson and Parkinson.

The evidence produced consisted of the following items:

First. The deposition of Samuel H. Perrin and exhibits.

Second. Certified copies of the bill, answer, replication, and final decree in the suit of Nelson Lyon *vs.* Perrin & Gaff Manufacturing Company, in the circuit court of the United States for the southern district of Ohio, wherein the bill was filed October 5th, 1881.

Third. Certified copies of the patents for heel stiffeners granted Vega B. Norton November 20, 1880, and numbered 226,771.

Fourth. The certificate of William C. Howard, clerk of the United States circuit court, in the suit of Nelson Lyon *vs.* Perrin & Gaff Manufacturing Company, bearing date January 26th, 1884.

Fifth. The following statement, made by counsel for the defendant, was also admitted in evidence:

"That from the time the answer in said cause was filed (in
29 the southern district of Ohio) the plaintiff avoided going to a hearing, and, believing the suit vexatious, he addressed the plaintiff's counsel in January, 1882, a letter (a copy of which is attached to the statement), directed to William H. King, Esq., attorney, 31 North Pearl St., Albany, New York; that it was mailed in an envelope having printed on it a request to return to Parkinson & Parkinson *& Parkinson* if not delivered, and it was never returned; that at the second term of court thereafter, the cause having been regularly set on the docket, when it was called plaintiff's counsel not being present, and not having, so far as defendant's counsel knew, intimated any desire to be present, defendant's counsel insisted upon his right to be heard upon the issues presented by the pleadings, and was heard, and the cause taken under advisement by the circuit judge, who afterwards (decided it) without, so far as counsel is informed, hearing any argument or receiving any brief from plaintiff's counsel or any one representing him before the same was decided.

Plaintiff's counsel also stated that he was neither present in court, nor did he furnish a brief to the court, nor the judge thereof,
30 at the time specified, and that no brief or testimony was taken or filed in said suit on the part of either the plaintiff or defendant. Plaintiff's counsel requested the defendant for an extension of time to put in his proof, but the request was denied."

Sixth. A letter written by Nelson Lyon to the defendant, dated July 29th, 1881.

The bill and answer in the suit in the southern district of Ohio were sworn to, and the following is the decree that was entered:

"This cause coming on for hearing, and being submitted to the court upon the bill, answer, and replication, and having been duly considered, the court finds, adjudges, and decrees that the equities are with the defendant; that the bill of complaint be dismissed, and that the defendant recover its costs to be taxed."

The sole question presented by this plea is whether the decree in that case was conclusive of the rights attempted to be litigated in this or whether the facts set forth in the plea are proved.

There is no controversy before the master as to the identity of the parties or the identity of the cause of action. They are admitted to be the same in both cases.

31 The point made by the plaintiff was that the decree rendered in the suit pending in the court in Ohio was a decree upon default, and is therefore not conclusive or binding.

It is not unusual, where the plaintiff's suit is dismissed either by the court of its own motion or by the plaintiff, to save his rights by providing in the order of dismissal or the decree that it was entered without prejudice.

There is nothing of that kind in this decree. No steps have ever been taken to modify it, and in its present form the master is constrained, after an examination of the authorities, to say that, in the absence of qualifying words, the decree stands as an absolute adjudication of the rights of the parties upon the merits. The complaint was sworn to and the answer was sworn to, and the cause was submitted in due course, and the decree was, as it professes to be, an absolute and final adjudication of the rights of the parties.

I therefore report and find that the averments of the plea are sustained by the evidence.

WILLIAM P. FISHBACK, *Master*.

32 And afterwards, to wit, at the November term of said court, on the 12th day of April, 1884, before the Honorable William A. Woods, judge as aforesaid of said court, the following further proceedings in the above-entitled cause were had, to wit:

Comes now the complainant, by counsel, and files his exceptions to the master's report herein in the words following, to wit:

The complainant above named excepts to the report of William P. Fishback, Esq., master in chaucery, duly appointed herein, filed in the office of the clerk of said court on or about the twenty-fifth day of March, 1884, and to the whole thereof, and to the statement of facts and conclusions of law therein and to the decision therein.

In addition to said general exception, the said complainant makes the following specific exceptions thereto, and for the following reasons:

I. That it did not appear by the testimony taken before said master that a judgment was duly entered, signed, and enrolled, in an

action brought in the U. S. circuit court for the southern district of Ohio, wherein Nelson Lyon was complainant and said The Perin and Gaff Manufacturing Company was defendant, and that said judgment remains in full force.

II. That the said master erred in admitting as evidence
33 the letters patent granted to Vega B. Morton November 20, 1880, and numbered 226,771, as such evidence was immaterial and irrelevant.

III. That said master erred in admitting as evidence a letter alleged to have been written by Nelson Lyon to the defendant, dated July 29th, 1881, because the same was not properly proved.

IV. That said master erred in deciding the decree in the said action in the U. S. circuit court, southern district of Ohio, a valid decree, because it was contrary to and in violation of the rules of the U. S. circuit courts and did not comply with the provisions thereof.

V. That said master erred in holding said last-mentioned decree a final decree.

VI. That said master erred in not deciding said last-mentioned decree was a decree upon default, and, therefore, not conclusive or binding.

VII. The said master erred in deciding "It is not unusual, where the plaintiff's suit is dismissed either by the court of its own motion or by the plaintiff, to save his rights by providing in the order of dismissal or the decree that it was entered without prejudice.

VIII. That inasmuch as there was no evidence before the master to show whether or not steps were ever taken to have said de-
34 cree modified, the said master erred in deciding that no steps have ever been taken to modify it" (meaning said decree).

IX. That said master erred in deciding "that in the absence of qualifying words the decree stands as an absolute adjudication of the rights of the parties upon the merits."

X. That said master erred in deciding that said cause in the U. S. circuit court in the southern district of Ohio was submitted in due course.

XI. That said master erred in deciding that said decree of said U. S. circuit court, southern district of Ohio, "was, as it professed to be, an absolute and final adjudication of the rights of the parties."

XII. That said master erred in finding and reporting "that the averments of the plea are sustained by the evidence."

XIII. The said finding and report is against evidence.

XIV. The said finding and report is against the weight of evidence.

XV. That said master erred in some cases in admitting and in other cases in rejecting testimony herein against the objection of complainant's counsel.

XVI. That said finding and report is in violation of and contrary to the statutes and the well-established principles and decisions of the law and of the rules of the U. S. supreme and circuit courts.

WM. H. KING,
Compl't's Solicitor.

35 And afterwards, to wit, at the May term of said court, on the 25th day of June, A. D. 1884, before the Honorable William A. Woods, judge as aforesaid of said court, the following further proceedings in the above-entitled cause were had, to wit:

This cause having been brought on for hearing upon complainant's exception to the master's report, and having been argued by counsel as well in behalf of complainant as of defendant, and having been considered by the court, it is hereby ordered that the said exceptions be overruled and the master's report confirmed; and the court further orders, adjudges, and decrees that the defendant's plea is well taken in law and sustained by the proofs; that the bill of complaint be, and the same is, dismissed, and that the costs herein be taxed and recovered against complainant.

And afterwards, to wit, at the May term of said court, on the 29th day of September, 1884, before the Honorable William A. Woods, judge as aforesaid of said court, the following further proceedings in the above-entitled cause were had, to wit:

Comes now the complainant, by William H. King, his solicitor, and prays an appeal herein to the Supreme Court of the United States, which is allowed upon his filing an appeal bond in the penalty of $250.00, with sureties to the satisfaction of the court.

36 And afterwards, to wit, at the November term of said court, on the 3d day of December, 1884, before the Honorable William A. Woods, judge of said court, the following further proceedings in the above-entitled cause were had, to wit:

Comes now the complainant, by counsel, and files his appeal bond herein in the sum of two hundred and fifty dollars, with Nelson Lyon and C. S. Hildebrand as sureties thereon, and said bond is approved by the court, and said bond is in the words following, to wit:

Know all men by these presents that we, Nelson Lyon, of the city and county of Albany and State of New York, and C. S. Hildebrand, of the city of Indianapolis, county of Marion and State of Indiana, are held and firmly bound unto the above-named The Perin and Gaff Manufacturing Company in the sum of two hundred and fifty dollars, to be paid to said The Perin and Gaff Manufacturing Company; to which payment, well and truly to be made, we bind ourselves jointly and severally, and our and each of our heirs, executors, and administrators jointly by these presents.

37 Sealed with our seals and dated this third day of December, 1884.

Whereas the above-named Nelson Lyon hath prosecuted an appeal to the Supreme Court of the United States to reverse the decree rendered in the above-entitled suit by the circuit court of the United States for the district of Indiana: Now, therefore, the condition of this obligation is that if the above-named Nelson Lyon shall prosecute his said appeal to effect and answer all costs and damages that

may be adjudged or awarded against him if he shall fail to make good his plea, then this obligation to be void; otherwise in full force.

NELSON LYON. [SEAL.]
C. S. HILDEBRAND. [SEAL.]

Sealed and delivered in presence of—

WM. H. KING, As to Nelson Lyon.
W. C. NICHOLS, As to C. S. Hildebrand.

Testimony.

38 Here follows the testimony taken in said cause:

In the Circuit Court of the United States for the District of Indiana.
November Term, 1883. Chancery.

Before Honorable William A. Woods, judge.

NELSON LYON
vs.
THE PERRIN AND GAFF MANUFACTURING COMPANY. } 7647.

JANUARY 2, 1884.

Comes now William P. Fishback, master, and, upon his motion, it is ordered that Frank W. Burnham, of the city of Cincinnati, be, and he is hereby, appointed special examiner in chancery in this cause, and is empowered to cause to come before him, at his office, in Cincinnati, Ohio, No. 75 West Fourth street, upon proper notice given to the complainant, the witnesses of the defendant, and to take their depositions in writing and return the same duly certified into this court, addressed to the clerk thereof, at Indianapolis.

UNITED STATES OF AMERICA, *District of Indiana*, } ss:

I, Noble C. Butler, clerk of the circuit court of the United States within and for said district, do hereby certify that the above
39 and foregoing is a full and true copy of an order this day made and entered in said court.

Witness my hand and the seal of said court, at Indianapolis, in said district, this 2d day of January, 1884.

[SEAL.] NOBLE C. BUTLER, *Clerk.*

Circuit Court of the United States for the District of Indiana. In Equity.

NELSON LYON, Complainant,
vs.
THE PERIN AND GAFF MANUFACTURING COMPANY, Defendant. } 7647.

Examination of witnesses on behalf of the defendant under the 67th rule in equity, as amended, pursuant to the annexed notice.

Present: William H. King, for the complainant, and Robert H. Parkinson, for the defendant.

By request of parties, it is ordered that these depositions be taken by question and answer.

SAMUEL H. PERIN, a witness produced on behalf of the defendant, being first duly sworn, deposeth and saith, in answer to interrogatories propounded to him by R. H. PARKINSON, Esq., of counsel for the defendant, as follows:

Question 1. State your name, age, residence, and occupation.

40 Answer 1. My name is Samuel H. Perin; age, 31 years; residence, Jeffersonville, Indiana; I am manufacturer of hardware and superintendent of the Perin and Gaff Manufacturing Co.

Ques. 2. How long have you occupied that position?

Ans. 2. For the last four years. I have been connected with them since 1876 in different capacities; always at the manufactory.

Ques. 3. Can you state whether or not this is the same company of that name incorporated under the laws of Ohio and formerly having an office at Cincinnati?

Ans. 3. It is the same company.

Ques. 4. Where has its manufactory been so long as you have known the company?

Ans. 4. At the Cincinnati work-house, Cincinnati, Ohio, until the fall of 1877, when we moved to Jeffersonville, Indiana. The Jeffersonville establishment was commenced in the fall of 1876. We have been at Jeffersonville ever since.

Ques. 5. Were you acquainted with the fact of the commencement of a suit against the Perin and Gaff Manufacturing Company in the circuit court of the United States for the southern district of Ohio, in October, 1881, by Nelson Lyon, of Albany, N. Y., for alleged infringement of a reissued patent granted him as assignee of Barsaloux and James?

Objected to as incompetent, irrelevant, and immaterial.

Ans. 5. Yes, sir.

41 Ques. 6. Can you state whether or not that company was manufacturing, prior to that time, heel stiffeners; and, if so, whether or not it was selling the same and under and in accordance with what, if any, letters patent it was manufacturing and selling?

Ans. 6. We were manufacturing and selling heel stiffeners under the Morton's (J. B. Morton) patent of April 20th, 1880.

Ques. 7. Were you manufacturing them under contract with anybody? If so, please state whom.

Ans. 7. Under a contract with V. B. Morton, of Ceraloo, Kentucky.

Ques. 8. When did it begin to manufacture and sell those heel stiffeners?

Ans. 8. In the fall of 1880.

Ques. 9. Has that company ever since your first connection with it manufactured, used, or sold any other heel stiffeners than those made under and in accordance with the Morton patent above referred to?

Ans. 9. No, sir; we may have sold the Lyon stiffener before my connection with it.

Ques. 10. Have you any knowledge of the company's having made or sold any stiffener other than that under and in accordance with the Morton patent?

Ans. 10. No, sir.

Ques. 11. Has any change in the construction of the stiffener made or sold by your company been made since October 5th, 1881?

Objected to as immaterial and incompetent.

42 Ans. 11. None whatever.

Ques. 12. Look at the letter now shown you, and state if you know what it is.

Objected to as —.

Ans. 12. It is a notification that we are manufacturing a heel stiffener said to be an infringement upon one manufactured by Nelson Lyon.

Ques. 13. Can you state whether or not it was received by your company of about the date it bears and in the ordinary course of mail?

Ans. 13. Yes, sir; it was.

The letter referred to is offered in evidence and marked Defendant's Exhibit Lyon Letter, July 29th, 1881.

Objected to as not having been properly proved.

Cross-examination by W. H. KING, Esq.:

X Q. 14. What have been and what are your duties as superintendant of the Perin and Gaff Manufacturing Company?

Ans. 14. General manager of the business.

X Q. 15. Do you mean general manager of the manufacturing done by that company?

Ans. 15. Manufacturing and selling the goods done by that company.

X Q. 16. Do you do all the selling for that company?

Ans. 16. I manage the selling interest of that company.

43 X Q. 17. You have *offers* in the employ of said company who sell the goods belonging to said company, have you not?

Ans. 17. Yes, sir.

X Q. 18. You have travelling salesmen employed by said company to sell its goods, have you not?

Ans. 18. We have; two.

X Q. 19. Do you know whether your travelling salesman have been in the habit of selling goods of other firms while selling the goods of your company?

Ans. 19. To my knowledge they have never sold any goods save those manufactured by ourselves.

X Q. 20. Do you go with these travelling salesmen upon their selling trips?

Ans. 20. No, sir.

X Q. 21. How do you know, then, that your salesmen do not sell goods except such as are made or sold by your company?

Objected to as irrelevant in so far as it relates to any sales or acts of the persons referred to other than their acts in the capacity as agents for and in behalf of the defendant company.

Ans. 21. To the best of my knowledge and belief they have never sold any goods other than those manufactured by us.

Objected to by complainant's counsel as not responsive, and question 21 repeated.

Same objection by defendant's counsel.

X Ques. 22. Same question.

44 Same objection by defendant's counsel.

Ans. 22. Because they are employed to sell our line of goods exclusively.

Objected to by complainant's counsel as not responsive, and question 21 repeated.

X Q. 23. Same question.

Same objection by defendant's counsel.

Ans. 23. I have answered that question to the best of my knowledge and belief.

Objected to by complainant's counsel as not responsive, and question 21 repeated.

X Q. 24. Same question.

Same objection by defendant's counsel.

Ans. 24. Well, we do not handle any make of goods except those manufactured by ourselves.

Objected to as not responsive, and question 21 repeated.

X Q. 25. Same question.

Same objection by defendant's counsel.

Ans. 25. My previous answers are all the answer I have to make to that question.

Objected to as not responsive.

X Q. 26. Do you know personally whether or not your travelling salesmen have billed goods and receipted for same in the name of your company, which goods were neither manufactured by or belonged to the defendant company?

Objected to as irrelevant in so far as not limited to acts of the salesmen in behalf of and authorized by the defendant company.

45 Ans. 26. I do not.

X Q. 27. Sales of goods other than those manufactured or sold by the defendant company, by agents, clerks, or salesmen belonging to said company could have been made in the name of said defendant company, the goods billed in the name of said company and receipted for by said agent, clerk, or salesman, without your personal knowledge, could they not?

Same objection.

Ans. 27. They could not.

X Q. 28. Why could they not?

Same objection.

Ans. 28. They are employed to sell goods manufactured solely at the Jeffersonville factory, and they, the salesmen or agents, have no authority to receive or receipt for moneys.

X Q. 29. You say you do not go with your travelling salesmen when on their selling trips; how do you know, then, what your agents, clerks, or salesmen do, then, when you are away from them?

Same objection.

Ans. 29. As to the receiving of moneys, we have a system of checks, and as to selling of goods, we trust to the man's honor.

Objected to by complainant's counsel as not responsive, and question 29 repeated.

X Q. 30. Same question.

Same objection by defendant's counsel.

46 Ans. 30. I can't give any further reasons than I have already stated as to what they do.

X Q. 31. Have you ever been or acted as a travelling salesman?

Same objection.

Ans. 31. Yes, sir; I have.

X Q. 32. You are therefore accustomed to many of the ways of travelling salesmen, are you not?

Same objection.

Ans. 32. Yes, sir.

X Q. 33. Then, with your experience as a travelling salesman and as superintendent of the defendant company, do you state that you know of every act that is done by your clerk or salesman during his absence from you, and especially as to the opportunity to sell, bill,

and receipt for goods sold by him under the name of the person employing him which were neither manufactured by or belonged to his employer?

Same objection.

Ans. 33. Well, in my experience I have never known of a single instance where salesmen have sold goods and receipted for same under the name of their employers when goods were sold on account of other parties.

X Q. 34. Will you state positively that you know of every act done by your clerks or salesmen when they are absent from you?

Same objection.

Ans. 34. In relation to our business I do.

47 Complainant's counsel objects to the answer, and the question is repeated.

X Q. 35. Same question.

Same objection.

Ans. 35. I do not.

X Q. 36. What was the nature of the contract under which you manufacture the Morton stiffeners?

Objected to as irrelevant and incompetent.

Ans. 36. On royalties under his patent.

X Q. 37. What were the royalties?

Objected to as irrelevant.

The witness is instructed that he is at liberty to decline to answer above question.

Ans. 37. I decline to answer the question.

X Q. 38. Was that contract in writing?

Same objection.

Ans. 38. I decline to answer that question.

X Q. 39. Where is that contract?

Same objection.

Ans. 39. It is on file at our office at Jeffersonville, Indiana.

X Q. 40. When was that contract made and when does it bear date?

Same objection.

Ans. 40. I don't remember the exact date of it. There was one made in the fall of 1880 and the other October 22d, 1881.

X Q. 41. What became of the contract made in 1880?

Same objection.

Ans. 41. We have it on file at our office in Jeffersonville.

48 X Q. 42. What was the nature of the contract referred to as made in the fall of 1880?

Same objection and same instruction as above.

Ans. 42. I decline to answer the question.

X Q. 43. For how long a time did the contract referred to as made in the fall of 1880 cover?

Same objection.

Ans. 43. I decline to answer the question.

X Q. 44. When did the contract referred to as made in the fall of 1880 expire?

Same objection.

Ans. 44. It has not expired.

X Q. 45. What did the defendant company do under the contract referred to as having been made in the fall of 1880?

Same objection.

Ans. 45. We manufactured and sold them.

X Q. 46. When did the defendant company first commence to manufacture the Morton stiffeners?

Ans. 46. In the fall of 1880.

X Q. 47. When did they commence to sell the Morton stiffeners?

Ans. 47. At the same time they commenced to manufacture them.

X Q. 48. To whom were the first lots of the Morton stiffener sold?

Same objection.

Ans. 48. To sundry parties.

X Q. 49. Give their names.

Same objection.

49 Ans. 49. I cannot give their names.

X Q. 50. Is the defendant company the owner of the whole or any part of the patent issued to V. B. Morton for the stiffener referred to by you?

Same objection.

Ans. 50. I decline to answer the question.

X Q. 51. Can you give the name of every article which has been sold by the defendant in its business during the past four years while you have acted as its superintendent?

Same objection.

Ans. 51. From memory I cannot.

X Q. 52. Have you seen and examined all of the goods sold by the defendant company during the four years you have acted as superintendent?

Ans. 52. Yes, sir; I have.

X Q. 53. What are your own hours of work for the company?

Ans. 53. Regular schedule of ten hours a day, six days in the week.

X Q. 54. What have been the average amount of sales per day made by your company?

Ans. 54. I decline to answer the question.

X Q. 55. How many classes of goods and varieties of a class have been sold by your company during the past four years?

Ans. 55. Several hundred varieties.

X Q. 56. Do you have a vacation during the year?

Ans. 56. None, sir.

X Q. 57. Never absent from your place of business?

Ans. 57. Only for short intervals.

X Q. 58. What is the longest time you were absent?

50 Same objection.

Ans. 58. I don't remember.

X Q. 59. Give the longest you do remember.

Same objection.

Ans. 59. About a week.

X Q. 60. How often would you be absent from your place of business?

Ans. 60. About a day once a month on an average.

X Q. 61. In your answers did you refer to your Cincinnati office as the one from which you were absent?

Ans. 61. From the Jeffersonville office; the absences have been from the Jeffersonville office.

X Q. 62. How did you come to make a different contract with V. B. Morton October 5th, 1881, than you say you made in the fall of 1880?

Same objection.

Ans. 62. I decline to answer the question.

X Q. 63. Do you know the handwriting of Nelson Lyon, the complainant herein?

Ans. 63. Only from what letters we have received from him, if written by him.

X Q. 64. Have you ever seen him write?

Ans. 64. I have not; no, sir.

X Q. 65. Do you know whether or not the letter of July 29th, 1881, now in evidence, and marked "Def't's Exhibit Lyon Letter of July 29th, 1881," is in the handwriting of Nelson Lyon, the complainant herein?

Ans. 65. As I never saw his handwriting, I do not.

X Q. 66. Have you ever personally written the complainant,
51 or the attorney of the complainant, William H. King, here present?

Ans. 66. No, sir.

X Q. 67. Do you know whether or not any of the officers of the company defendant other than yourself have written the complainant or said complainant's said attorney?

Ans. 67. If I remember correctly, they have not.

X Q. 68. Do you not remember of one of the officers of your company writing Mr. Nelson Lyon shortly after the commencement by him of the suit against your company in the United States circuit

court for the southern district of Ohio—writing to Mr. Lyon, the complainant, that said defendant company had never made, used, or sold the so-called Morton stiffener?

Ans. 68. I don't remember that such a letter was written.

X Q. 69. Who swore to the answer to Mr. Lyon's bill in the suit referred to in the last answer?

Ans. 69. I think I did.

X Q. 70. Did you not swear in that answer that the defendant company had never made, used, or sold any heel stiffener infringing said complainant's letter patent?

Ans. 70. Yes, sir.

X Q. 71. Did not the officers of your defendant company state to William H. King, the compainant's counsel here present, when he called at the place of business of the defendant company, in
52 Cincinnati, in September, 1881, that the company had never made, used, or sold the Morton stiffener, and did not propose to do so, until the suit brought by Mr. Nelson Lyon against G. T. Fisher and Co., of Detroit, had been determined and they could ascertain whether or not Mr. Lyon had a right to his invention?

Ans. 71. To my knowledge, no such conversation ever took place.

X Q. 72. How do you know such conversation never took place?

Ans. 72. I was never advised of any such conversation taking place.

X Q. 73. Do you know whether or not V. B. Morton, after the commencement of said suit against the company in Ohio, wrote to Mr. Nelson Lyon, the complainant, asking him to purchase his letters patent for the price stated in said Morton's letter to said Lyon, and stating further that no one was manufacturing, using, or selling heel stiffeners under his said letters patent or had been?

Objected to as irrelevant.

Ans. 73. I have no knowledge of such letter being written.

X Q. 74. Such a letter might have been written by Mr. Morton and you not know it?

Ans. 74. Yes, sir.

X Q. 75. Then, if the letters purporting to come from your company and from Mr. Morton to Mr. Lyon, containing the state-
53 ments referred to in the several questions in relation to such letters, and also the statement made by the officer of your company to complainant's counsel, also referred to in question 71, were sent and made, such letters and statements were false, were they not?

Objected to as irrelevant and incompetent.

Ans 75.. False, to the best of my knowlege and belief.

X Q. 76. Is it the custom of the officers of your company to make false statements, either in writing or orally, in respect to matters appertaining to the business of the company?

Ans. 76. It is not.

X Q. 77. But you are willing to state that they did write and state falsely in regard to the manufacture, sale, and use of the Mor-

ton stiffeners shortly after the commencement of the suit against them in the district of Ohio?

Objected to as misrepresenting the testimony of the witnesses and as containing assumptions for which no foundation has been laid.

Ans. 77. I have no knowledge of such a letter being written, and I decline to answer the balance of the question.

Complainant's counsel here gives notice that at the hearing herein he will move to strike out the whole of the testimony of this witness because of his refusing to answer cross-questions of com-
54 plainant's counsel.

SAM'L H. PERIN.

Defendant here offers in evidence certified copy of the bill, answer, replication, and final decree in the suit of Nelson Lyon vs. The Perin & Gaff Manufacturing Company, of the circuit court of the United States for the southern district of Ohio, wherein bill was filed October 5th, 1881, and certified copy of patent for heel stiffeners granted Vega B. Morton April 20th, 1880, No. 226,771, and marks them, respectively, "Defendant's Exhibits Bill, Answer, Replication, and Final Decree in Ohio Suit, and Morton Patent."

Morton patent objected to as irrelevant and immaterial.

Defendant's counsel offers in evidence the certificate of William C. Howard, clerk of the United States circuit court for the southern district of Ohio, in the suit of Nelson Lyon against Perin & Gaff Manufacturing Company, bearing date January 26th, 1884, and the same is marked Complainant's Exhibit Clerk's Certificate; to which defendant's counsel objects as incompetent, and specially as not a certificate of any record of court or of anything else concerning which the clerk is authorized to certify, and as an endorser on the part of the clerk to testify without submitting to oath in the cause or to cross-examination, and without its appearing that he
55 has personal knowledge of the facts, and as falsifying the records of the courts, and gives notice of motion to strike the same from the record herein.

Complainant's counsel asks defendant's counsel if he admits that the complainant, Lyon, was not in court or represented by counsel at the time of the granting of the final decree now in evidence in the suit brought against the Perin and Gaff Manufacturing Company in the United States circuit court for the southern district of Ohio.

To which counsel for defendant replies that he believes it is true that from the time the answer in said cause was filed complainant endeavored to avoid going to hearing therein; that believing the suit purely vexatious he addressed to complainant's counsel, on January 19th, 1882, the following communication, which was mailed, postage prepaid, and in a sealed envelope addressed to said attorney's office, on or about the date it bears, to wit, January 19th, 1882.

JANUARY 19TH, 1882.

Wm. H. King, Esq., attorney-at-law, 31 W. Pearl St., Albany, N. Y.

DEAR SIR: Our clients, the defendants in suits of Nelson Lyon *vs.* Perin and Gaff Man'f'g Co., and same against V. B. Morton, have referred us to a circular of your client, Nelson Lyon, dated January 10th, 1882, which is being sent among the trade, threatening
56 their patrons with suit for using the counter stiffeners manufactured and sold by them. In view of these circulars and of the prejudice which they are intended to create, and in view of the fact that we cannot help regarding these suits as designed simply to give your clients the benefit of such prejudice, we shall have to insist upon both the above-mentioned cases being tried immediately upon the termination of the time allowed under the rules for taking of evidence. We give you this notice that you may be prepared accordingly. If you have such confidence in these suits that you wish to bring them to trial we will not ask you to await the expiration of the time allowed by the rules, but will unite with you in having them set for hearing immediately, putting in our evidence upon a few days' notice after yours is put in.

Very truly, PARKINSON AND PARKINSON.

That it was mailed in an envelope having printed upon it a request to return to the address of his firm if not delivered, and was never returned; that at the second term of court thereafter, the cause having been regularly set on the docket, when it was called, complainant's counsel not being present and not having, so far as he knows, intimated any desire to be present or to be heard, defendant's counsel insisted upon his right to be heard upon the issues
57 presented by the pleadings, and was heard, and the cause *to open* under advisement by the circuit judge, who afterwards, without, so far as he is informed, hearing any argument or receiving any brief from complainant's counsel or any one representing him, —, though he cannot state certainly that complainant was not heard either by brief or orally before the cause was decided.

Complainant's counsel states that he was neither present in court nor did he furnish a brief to the court or the judge thereof at the time specified by defendant's counsel above referred to, and that no proof or testimony was taken or filed in the said suit upon the part of either the complainant or defendant; that complainant's counsel did request your defendant's counsel — an extension of time to put in his proof, but such request was denied.

STATE OF OHIO, *Hamilton County,* } *ss:*

I, Frank W. Burnham, a notary public within and for the county and State aforesaid and special examiner in the above-entitled cause, do hereby certify that on this twenty-eighth day of January, 1884, I caused to come before me Samuel H. Perin to testify in the above-mentioned cause; that William H. King, Esq., was present for com-

plainant and Robert H. Parkinson, Esq., for defendant; that
58 said witness was by me first sworn to testify the truth, the whole truth, and nothing but the truth; that his testimony was reduced to writing by myself in the presence of the witness and signed by witness in my presence; and I do further certify that I am not of counsel nor related to the witness nor otherwise interested in the event of this suit.

In witness whereof I have hereunto set my hand and seal this twenty-eighth day of January, 1884.

[SEAL.] FRANK W. BURNHAM,
Notary Public as Aforesaid and Special Examiner.

DEFENDANT'S EXHIBIT LETTER OF JUNE 29TH, 1881. F. W. Burnham, Special Examiner.

ALBANY, N. Y., *July 29th*, 1881.

Mess. Perin and Gaff, M'f'g Co., Jeffersonville, Ind.

GENTLEMEN: I am this day informed that you are manufacturing a counter support for V. B. Morton, of Ceralvo, Ky. I have notified your firm at Cincinnati, O., that it is an infringement on my patents, and that I should hold you responsible for any and all damages I shall sustain by them being manufactured and sold. I enclose a circular showing you that I have brought suits and my patents have been sustained in the U. S. C. court. I have spent a great many thousand dollars to introduce the stiffeners.

59 If I do not hear from you promptly I shall authorize my attorney to commence suit against you at once.

Most respectfully yours, NELSON LYON.

In the United States Circuit Court, Southern District of Ohio. In Equity.

NELSON LYON, Complainant,
vs.
PERIN AND GAFF MANUFACTURING COMPANY, Defendants. } 3180.

To the honorable the judges of the United States circuit court, southern district of Ohio:

The complainant, Nelson Lyon, a citizen of the United States and resident of the city and county of Albany and State of New York, in and by this his bill of complaint complains of the Perin and Gaff Manufacturing Company, located and doing business at Cincinnati, in the district and State of Ohio, and respectfully shows, states, and sets forth—

1st. That he is informed and believes that said defendants at the several times hereinafter mentioned were and they still are a corporation organized under the laws of the State of Ohio and located and doing business under their corporate name and style of Perin and Gaff Manufacturing Company in said city of Cincinnati.

60 2d. That heretofore and before the ninth day of July, 1872, one Joseph Barsaloux became and was the original and first

inventor of an improvement in metallic stiffeners for boot and shoe heels, and thereupon he, said Barsaloux, together with Jeremiah S. James and this complainant, applied unto the Commissioner of Patents of the United States for letters patent therefor in manner and form as by statute required; that thereafter due proceedings were had on said application and letters patent of the United States, duly signed and sealed, were issued thereon and delivered to said Barsaloux, James, and this complainant, bearing date said ninth day of July, 1872, numbered 128,843, thereby granting to said Barsaloux, James, and this complainant and their heirs, executors, administrators, and assigns, for the term of seventeen years thereafter, the full and exclusive right and liberty of constructing, using, and vending to others to be used, the said invention in the specification annexed to and forming part of said letters patent.

That prior to the issuing of said letters patent, to wit, on or about the 25th day of June, 1872, the said Joseph Barsaloux, by an instrument in writing bearing date on said last-mentioned date, duly made, executed, and delivered by said Barsaloux, assigned, transferred, and set over unto said Jeremiah S. James and this complainant all his right, title, and interest in and to said improvement in "metallic stiffeners for boot and shoe heels," for which after-

61 wards letters patent were granted as aforesaid to said Barsaloux, James, and Lyon, which assignment was duly recorded in the Patent Office of the United States in liber Q 15, at page 259, of transfers of patents, as by said assignment or a duly certified copy there in court to be produced, if required, will more fully and at large appear.

That subsequently thereto and on or about the third day of April, 1873, by an instrument in writing bearing date on said last-mentioned day duly made, executed, and delivered by said Barsaloux, said Barsaloux assigned, transferred, and set over unto said complainant all his right, title, and interest of, in, and to the agreement for royalty upon the manufacture of all stiffeners under said letters patent or otherwise and in and to said patent, which instrument was recorded in said Patent Office, in liber V 18, at page 62, of transfers of patents, on the 7th day of December, 1874.

That subsequently, and on or about December 6th, 1875, by an instrument in writing duly made, executed, and delivered by said Barsaloux to said James and this complainant, said Barsaloux, in order to carry out fully his said assignment, duly authorized and requested the Commissioner of Patents to issue letters patent for said improvement to said James and Lyon, which instrument bears date on said 6th day of December, 1875, and is recorded in said Patent Office, in liber C 20, at page 279, on March 6th, 1876.

62 That subsequently, on or about May 18th, 1877, by an instrument in writing duly made, executed, and delivered by said Jeremiah S. James to this complainant, said James sold, assigned, transferred, and set over unto this complainant all his right, title, and interest "in and to said invention and the patent issued therefor, and in and to all reissues or extensions thereof that may in future be had," which instrument bears date on said May 18th,

1877, and is recorded in said Patent Office, in liber V 21, at page 203, of transfers of patents, as by all of said assignments and instruments or duly certified copies thereof in court to be produced, if required, will more fully and at large appear.

3d. That by reason of a mistake having been made in the petition for the granting of letters patent for said improvement, whereby, in and by said petition, it was made to appear that said Barsaloux, James, and Lyon were severally and jointly the inventors of said improvement, whereas in fact the said Barsaloux was the true and only inventor and the said James and Lyon were merely the assignees of the whole interest in said invention and said letters patent, an application for a new patent was made to the Commissioner of Patents for said improvement, which application having been denied a petition was presented to the Congress of the United States for the relief of the said James and Lyon.

63 That such proceedings were subsequently had upon said petition; that the said Congress of the United States duly passed an act, entitled "An act for the relief of Nelson Lyon and Jeremiah S. James," authorizing and directing the Commissioner of Patents to correct the patent dated the ninth day of July, 1872, number 128,843, and "erroneously granted to Joseph Barsaloux, Jeremiah S. James, and Nelson Lyon, as joint inventors for an invention which was in fact made by said Barsaloux as sole inventor, and of which at the time of the issue of the said patent said James and Lyon were assignees of the entire and exclusive right, title, and interest;" that said act further set forth, "The correction shall be made upon the face of the patent or a certified copy thereof and by proper certificate thereof appended thereto, and when corrected the patent shall show that the grant is to Jeremiah S. James and Nelson Lyon jointly, their heirs and assigns, as assignees of said Joseph Barsaloux," and that "the said patent, when corrected as herein authorized, shall be as good and valid as if it had been originally granted and issued in such corrected form.

That "it shall run for the term of seventeen years from and after the date of the 9th day of July, 1872.

That "the date of such correction, which date — with a reference to this act, shall be entered upon the face of the patent as stated in such certificate, and shall be noted in the records of the Patent Office."

64 4th. That said act was duly approved by the President of the United States on the first day of April, 1880; that this complainant prays leave to refer to said act and to produce a duly certified copy thereof in court if required.

5th. That subsequently to the passage and approval of said act as aforesaid, to wit, on or about the 7th day of April, 1880, the then acting Commissioner of Patents of the United States corrected the said letters patent, dated July 9th, 1872, and numbered 128,843, upon the face of a certified copy thereof (the original patent having been lost), and by a proper certificate thereof appended thereto, so that as corrected the said patent shows that the grant is to the said Jeremiah S. James and Nelson Lyon jointly, their heirs and assigns, as assignees

of said Joseph Barsaloux; that on or about said last-mentioned date said acting Commissioner also caused the said correction to be noted in the records of the Patent Office; that said acting Commissioner also appended to said certified copy of said letters patent his certificate, bearing date on said April 7th, 1880, showing said correction, and that he had caused the correction to be noted in said records of said Patent Office, and also a reference to said act, and also a statement of the corrections so made by him, as by said certificate or a certified copy thereof, reference being thereunto had, will more fully appear; and this complainant prays leave to produce in court,
65 if required, the certified copy of said letters patent as corrected, with the certificate of said acting Commissioner appended thereto or a certified copy thereof.

6th. That after the passage of said act and the correction of said letters patent as aforesaid, and before the eleventh day of May, 1880, this complainant, for good and lawful cause and in compliance with the statutes in such case enacted, surrendered the said letters patent unto the Commissioner of Patents, and petitioned for a reissue therof on an amended specification and claims.

That thereafter due proceedings were had on said application, and a new patent for the same invention and in accordance with a corrected specification was, on the said eleventh day of May, 1880, duly signed, sealed, issued, and delivered unto the complainant, dated, as aforesaid, the said 11th day of May, 1880, and numbered 9198, as in and by said reissued letters patent in court to be produced, or a certified copy thereof, will more fully appear.

7th. That your orator, the said Nelson Lyon, has since the allowance of said letters patent been exclusively possessed of the same and of the invention thereby secured, and by himself and his licensees he has put the same in practice and has made and sold large quantities of metallic stiffeners for boot and shoe heels, constructed according to the invention described in said reissued letters patent, and his exclusive rights thereby secured have been
66 generally respected and acquiesced in by the public.

That your orator is able and desirous to supply all reasonable demand of the public for improved metallic stiffeners for boot and shoe heels, constructed in accordance with said reissued patent.

That your orator has requested the defendants not to infringe his said exclusive rights secured as aforesaid, but they refuse to desist.

That your orator is informed and believes and therefore charges that said Perin and Gaff Manufacturing Company, since the date of said reissued letters patent, at said city of Cincinnati, in the State and southern district of Ohio, and elsewhere, have made, used, and sold great quantities of metallic stiffeners for boot and shoe heels made, arranged, constructed, and combined according to the principles, construction, arrangement, and combination set forth, described, and claimed in said reissued letters patent, without license or permission of your orator, and contrary to and in infringement of his exclusive rights; and your orator fears that they will continue said infringement to the great and irreparable damage of your orator in the sum, as your orator believes, of ten thousand dollars.

Wherefore, that the said defendants may answer the premises, may be enjoined from the practice of said infringement pending this suit, may be perpetually enjoined from said infringement, may account to your orator for the gains and profits made by
67 them from his manufacture, use, and sale of metallic stiffeners for boot and shoe heels in infringement of said reissued letters patent and your orator's rights thereunder, and that the damages sustained by your orator in the premises may be assessed, as by the statute provided, in at least the amount of ten thousand dollars, and for other relief:

May it please your honors to grant unto your orator—

1st. A writ of injunction conformable to the prayer of this bill until further order of the court.

2d. A writ of perpetual injunction according to the prayer of this bill.

Each in due and usual form and under usual penalties, and each directed to the said Perin and Gaff Manufacturing Company and their agents, attorneys, clerks, servants, and employees.

3d. A writ of subpœna, in due and usual form and under usual penalties, directed to said Perin and Gaff Manufacturing Company.

And such further relief as your honors may deem meet.

And your orator will ever pray, &c.

NELSON LYON.

WM. H. KING,
Solicitor for & of Counsel with Complainant.

Office and post-office address: No. 31 North Pearl St., Albany, N. Y.

68 UNITED STATES OF AMERICA,
City and County of Albany, State of New York, } *ss:*

Nelson Lyon, being duly sworn, says: I am the complainant in this action; I have read the foregoing bill of complaint and know the contents thereof, and that the same are true to my own knowledge, except as to the matters therein stated to be alleged upon information and belief, and as to those matters I believe it to be true.

NELSON LYON.

Sworn to before me this 31st day of August, 1881.

[SEAL.] EDWARD W. RANKIN,
Notary Public, Allen Co., New York.

SOUTHERN DISTRICT OF OHIO, *ss:*

A true and correct copy of the original on file in this office.

Attest:

[SEAL.] WM. C. HOWARD,
Clerk U. S. Cir. Crt, S. D. O.

DEFENDANT'S EXHIBIT BILL IN OHIO SUIT. Frank W. Burnham, Special Examiner.

69 In the Circuit Court of the United States for the Southern District of Ohio. In Equity.

NELSON LYON
vs.
THE PERIN AND GAFF MANUFACTURING COMPANY. } 3180.

The answer of The Perin and Gaff Manufacturing Company, defendant, to the bill of complaint of Nelson Lyon herein.

This defendant, reserving to itself all right of exception and objection to said bill of complaint, for answer thereunto, says as follows:

1st. It denies that Josepb Barsaloux was the original and first inventor of an improvement in metallic stiffeners for boot and shoe heels described in the leters patent recited in said bill of complaint. It denies that said improvement had not been known or used before the alleged invention thereof by said Barsaloux; denies that it had not been in public use or on sale with his consent or allowance more than two years before the application for a patent therefor, and denies that any exclusive right in, under, or relating to said alleged invention was secured to said Barsaloux, James, and the complainant herein, as set forth in the bill of complaint. It is not sufficiently informed whether letters patent of the United States, recited in the bill were in due form of law issued to said Barsaloux, James, and the complainant herein, as set forth in the bill of complaint,
70 and therefore denies the same.

2d. It has no knowledge of the several assignments recited in said bill of complaint, and therefore requires proof of each and all of them. It denies that by reason of any of said assignments said letters patent, either original or reissued, or any right of action or claim of any nature became or is vested in the complainant herein.

3d. As to whether a mistake was made in the petition for the granting of the said alleged letters patent set forth in the bill, whereby it was made to appear that Barsaloux, James, and the complainant herein were severally and jointly the inventors of said alleged improvement, or whether said James and the complainant herein were the assignees of the whole or of any interest of said Barsaloux in said alleged invention, or whether an application for a new patent was made to the Commissioner of Patents for said alleged improvement to remedy such mistake, or whether the same was denied, or whether a petition was presented to the Congress of the United States for the alleged relief of the said James and the complainant herein and an act was passed by Congress of the United States, approved by the President of the United States, authorizing and directing the Commissioner of Patents to correct the alleged mistake in said patent, or whether in accordance with said alleged
71 act of Congress the acting Commissioners of Patents did correct the said alleged mistake on a certified copy of said al-

leged letters patent and on the records of the Patent Office, as set forth in the bill, it has no specific information, and leaves the complainant to make such proof thereof as he may be able, denying, however, that it is affected thereby.

4th. It admits that the original letters patent recited in said bill of complaint were inoperative, but says that this was due to the absence of patentable invention and not to any defect in the specification thereof which had arisen through inadvertence, accident, or mistake. It denies that the surrender thereof was lawfully made or the reissue thereof lawfully granted; denies that the reissue thereof was for the same invention as the original, and denies that by it was granted or secured any right or privilege under or relating to said alleged improvement or invention.

5th. It denies that said complainant is or ever has been possessed of any exclusive right or making, using, or vending said alleged improved metallic stiffeners for heels of boots and shoes described in said reissued letters patent, and denies that he has been injured or disturbed in any right or in any way prejudiced by any act of the defendant.

6th. It denies that it has at any time violated any right of the complainant; denies that it has made, used, or sold or is making, using, or selling any invention embraced in said patent
72 or any invention patented as alleged in said bill of complaint; denies that any injury has resulted to the complainant or any gain or profit accrued to this defendant which belongs to the complainant and which he has been prevented from deriving by any wrongful act of this defendant.

7th. It denies that the said alleged improvement described and claimed in said reissued letters patent involves patentable invention.

8th. It says that said reissued letters patent were not granted for the same alleged invention as the said original or to correct any error, inadvertence, accident, or mistake, but, on the contrary, were granted and fraudulently applied for and obtained for another and different alleged invention from that for which said original was applied for and granted *as* intended to be applied for and granted, and not contemplated by said Barsaloux until long after the grant of said original letters patent, and that said reissued letters patent are broader than the original and broader than the invention for which said original was granted, and are for all the aforesaid reasons invalid and void.

9th. That said alleged improvements were, prior to the alleged invention thereof by said Barsaloux, described and shown in the following letters patent, to wit:

73 Letters patent of the United States No. 15762, granted George W. Griswold September 23d, 1856, for improvement in metallic braces for heels of boots and shoes.

Letters patent of the United States No. 29326, granted D. E. Somes July 24, 1860, for shoe heel.

Letters patent of the United States No. 76262, granted Albert H. Southwick March 31, 1868, for improved heel protector.

All of which things this defendant is ready to maintain and prove

as this honorable court shall direct, and prays to be hence dismissed with its costs in this behalf sustained.

PERIN AND GAFF M'F'G CO.
FRANK L. PERIN, *Pres't.*

STARER AND HARRISON,
PARKINSON AND PARKINSON,
Sol'rs & Counsel for Def't.

STATE OF INDIANA, *County of Clarke,* } ss:

Frank L. Perin, being duly sworn, deposes and says that he is the president of Perin and Gaff Manufacturing Company, defendant in the above answer subscribed by him; that he has read the same and knows the contents thereof, and the same is true of his own knowledge, except as to the matters therein stated on information and belief, and as to those matters he verily believes them to
74 be true.

FRANK L. PERIN.

Subscribed and sworn to before me, a notary public in and for said county, this 6th day of December, 1881.

Witness my hand and notarial seal this 6th day of December, 1881.

[SEAL.] HENRY A. BURTT,
Notary Public.

SOUTHERN DISTRICT OF OHIO, ss:

A true and correct copy of the original on file in this office.
Attest:

[SEAL.] WM. C. HOWARD,
Clerk U. S. Cir. C't, S. D. O.

DEFENDANT'S EXHIBIT ANSWER IN OHIO SUIT. Frank W. Burnham, Special Examiner.

In the Circuit Court of the United States for the Southern District of Ohio. In Equity.

NELSON LYON
vs.
THE PERIN AND GAFF MANUFACTURING COMPANY. } 3180.

75 The replication of the above-named complainant to the answer of The Perin and Gaff Manufacturing Company, defendant.

This repliant, saving and reserving to himself, now at all times hereafter, all and all manner of benefit and advantage of exception which may be had or taken to the manifold insufficiencies of the said answer, for replication thereunto says that he will aver, maintain, and prove his bill of complaint to be true, certain, and sufficient in the law to be answered unto, and that the said answer of the said

defendant is uncertain, untrue, and insufficient to be replied unto by repliant, without this, that any other matter or thing whatsoever in the said answer contained material or effectual in the law to be replied unto and not herein and hereby well and sufficiently replied unto, confessed and avoided, traversed or denied, is true; all which matters and things this repliant is and will be ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by his said bill he has already prayed.

WM. H. KING,
Solicitor for Complainant.

Office and P. O. address: No. 31 North Pearl St., Albany, N. Y.

SOUTHERN DISTRICT OF OHIO, ss:

A true and correct copy of the original on file in this office.
76 Attest:
[SEAL.] WM. C. HOWARD,
Clk U. S. Cir. C'rt, S. D. O.

[Endorsed:] Defendant's exhibit. Replication in Ohio suit. Frank W. Burnham, special examiner.

THE UNITED STATES OF AMERICA,
Western Division of the Southern District of Ohio, } ss:

At a stated term of the circuit court of the western division of the southern district of Ohio, in the sixth judicial circuit of the United States of America, begun and had in the court-rooms at the city of Cincinnati, Ohio, in said district, on the first Tuesday of April, being the fourth day of that month, in the year of our Lord one thousand eight hundred and eighty-two, and of the Independence of the United States of America the one hundred and sixth.

Present: The Hon. John Baxter, circuit judge, and Hon. Philip B. Swing, district judge.

On Thursday, the fourth day of March, 1882, among the proceedings had were the following, to wit:

NELSON LYON
vs. } 3180. In Equity.
THE PERIN AND GAFF MANUFACTURING CO.

77 This cause coming on for hearing, and, being submitted to the court upon bill, answer, and replication, and having been duly considered, the court finds, adjudges, and decrees that the equities are with the defendant; that the bill of complaint be dismissed, and that defendant recover its costs, to be taxed.

THE UNITED STATES OF AMERICA,
Western Division of the Southern District of Ohio, } ss:

I, William C. Howard, clerk of the circuit court of the United States within and for the division and district aforesaid, do hereby certify that the foregoing decree is truly taken and correctly copied from the journal of said court.

In testimony whereof I have hereunto set my hand and affixed the seal of said court, at the city of Cincinnati, this fourth day of May, 1882.

[SEAL.]

WM. C. HOWARD, *Clerk*,
By ROB'T C. GEORGE, *Deputy*.

[Endorsed:] Defendant's exhibit. Final decree in Ohio suit. Frank W. Burnham, special examiner.

78 In the Circuit Court of the United States for the Southern District of Ohio. In Equity.

NELSON LYON
vs.
PERIN AND GAFF M'F'G CO. } 3180.

I, William C. Howard, clerk of the circuit court of the United States for the southern district of Ohio, do hereby certify that no proof or testimony was filed in above cause in my office for either the complainant or the defendant; and I further certify that at the time of the granting of the decree herein, May 4th, 1882, the complainant did not appear, nor was he represented by counsel, and that said decree dismissing the complainant's bill was granted on the default of complainant.

In testimony whereof I have hereunto set my hand and affixed the seal of said court, at Cincinnati, this 26th day of January, 1884, and in the 108th year of the Independence of the United States of America.

Attest:

[SEAL.]

WM. C. HOWARD,
Clerk U. S. Cir. C'rt, S. D. O.

[Endorsed:] U. S. C. C., dist. Indiana. 7647. Lyon *vs.* Perin & Gaff M'f'g Co. Complainant's exhibit. Clerk's certificate. Frank W. Burnham, special examiner.

79 DEFENDANT'S EXHIBIT MORTON PATENT. Frank W. Burnham, Special Examiner.

U. S. C. C., Dist. Ind.

LYON
vs.
PERIN AND GAFF M'F'G CO. } 7647.

DEPARTMENT OF THE INTERIOR,
UNITED STATES PATENT OFFICE.

To all persons to whom these presents shall come, Greeting:

This is to certify that the annexed is a true copy from the records of this office of the letters patent granted Vega B. Morton April 20, 1880, No. 226,771, for improvement in counter or heel stiffeners for boots and shoes.

In

In testimony whereof I, V. D. Stockbridge, Act. Commissioner of Patents, have caused the seal of the Patent Office to be affixed this thirtieth day of January, in the year of our Lord one thousand eight hundred and eighty-two, and of the Independence of the United States the one hundred and sixth.

[SEAL.] V. D. STOCKBRIDGE,
Acting Commissioner.

80 No. 226,771.

The United States of America to all to whom these presents shall come:

Whereas Vega B. Morton, of Ceralvo, Kentucky, has presented to the Commissioner of Patents a petition praying for the grant of letters patent for an alleged new and useful improvement in counter or heel stiffeners for boots and shoes, a description of which invention is contained in the specification of which a copy is hereto annexed and made a part hereof, and has complied with the various requirements of law in such cases made and provided; and whereas upon due examination made the claimant is adjudged to be justly entitled to a patent under the law:

Now, therefore, these letters patent are to grant unto the said Vega B. Morton, his heirs or assigns, for the term of seventeen years from the twentieth day of April, one thousand eight hundred and eighty, the exclusive right to make, use, and vend the said invention throughout the United States and the Territories thereof.

In testimony whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed, at the city of Washington, this twentieth day of April, in the year of our Lord one thousand eight hundred and eighty, and of the Independence of the
81 United States of America the one hundred and fourth.

[SEAL.] A. BELL,
Acting Secretary of the Interior.

Countersigned:
H. E. PAINE,
Commissioner of Patents.

(Here follows diagram marked p. 82.)

83 UNITED STATES PATENT OFFICE.

VEGA B. MORTON, of Ceralvo, Kentucky.

Counter or Heel Stiffener for Boots and Shoes.

Specification forming part of letters patent No. 226771, dated April 20th, 1880. Application filed January 31st, 1880.

To all whom it may concern:

Be it known that I, Vega Berry Morton, of Ceralvo, in the county of Ohio and State of Kentucky, have invented certain new and useful improvements in counter and heel braces or stiffeners for

boots and shoes, and I do hereby declare that the following is a full, clear, and exact description of the invention, which will enable others skilled in the art to which it appertains to make and use the same, reference being had to the accompanying drawings, which form a part of this specification, and in which figure 1 is a side elevation of a shoe provided with my improvement. Fig. 2 is a rear elevation of the same. Fig. 3 is a perspective view of the brace or stiffener detached, and Fig. 4 is a plan of the flat blank for forming the brace or stiffener.

Similar letters of reference indicate corresponding parts in all the figures.

This invention relates to devices for stiffening the heels and counters of boots and shoes and preventing them from running over, and it consists in the construction of a sheet-metal brace which is attached to the outside of the heel and quarters, substantially as hereinafter more fully set forth.

In the drawings A is the shoe or boot, and B is the brace, which is preferably cut by suitably constructed dies from a bar or plate of sheet metal and pressed or struck up to fit the curve of the heel. This brace is rounded at the top and sides, where it has a series of three or more countersunk holes or perforations, *a a a*, and is provided with three downward-projecting figures (denoted by *b b b*), each of which has a countersunk perforation, C. The metal in these fingers should be thicker than in the body of the brace, hence I prefer to cut or stamp this from a bar or plate that is thicker at one edge than at the other, or it may be cast, in a suitably constructed mold, from malleable iron, brass, copper, or any other suitable metal, and painted or japanned afterward, to avoid its being too conspicuous when attached upon a boot or shoe.

This brace is secured upon the shoe in the manner clearly shown in Figs. 1 and 2 of the drawings, viz., by rivets or screws inserted through the countersunk perforations, *a c*, when it will effectually prevent this from running over on the sides or setting back at the heel. It is intended to be used chiefly on cheap or coarse goods intended for rough wear, where strength and durability are of more importance than neatness and elegance of appearance, but it is obvious that its use is not limited to any particular kind or class of goods.

Having thus described my invention I claim and desire to secure by letters patent of the United States—

The metallic concavo-convex heel stiffener B, cut in the form shown, and adapted to entirely surround the heel of a boot or shoe upon the outside of the upper, and provided with attaching fingers *b b b*, for attachment to the heel, all substantially as set forth.

In testimony that I claim the foregoing as my own I have hereunto affixed my signature in presence of two witnesses.

VEGA BERRY MORTON.

Witnesses:

GEORGE M. ROWE.
JAS. GARRETT.

86 UNITED STATES OF AMERICA, } ss:
District of Indiana, }

I, Noble C. Butler, clerk of the circuit court of the United States for the district of Indiana, do hereby certify that the above and foregoing is a full, true, and complete transcript of the record in the cause of Nelson Lyon *vs.* The Perin and Gaff Manufacturing Company, as fully as the same appears of record and on file in my office.

Witness my hand and the seal of said court, at Indianapolis, in said district, this 4th day of December, A. D. 1884.

[Seal Circuit Court of the United States, District of Indiana.]

NOBLE C. BUTLER, *Clerk.*

Endorsed on cover: Indiana C. C. U. S. No. 201. Nelson Lyon, appellant, *vs.* The Perin and Gaff Manufacturing Company. Filed January 15, 1885.

SUPREME COURT

OF THE

UNITED STATES.

OCTOBER TERM, 1887.

No. 201.

NELSON LYON, *Appellant,*

VERSUS

THE PERIN AND GAFF MANUFACTURING COMPANY.

Appellant's Brief.

WILLIAM H. KING,

COUNSEL FOR APPELLANT,

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ALBANY, N. Y.

REYNOLDS & BOYD,

LAW PRINTERS.

SUPREME COURT

OF THE

UNITED STATES.

Nelson Lyon, *Appellant,* VERSUS **The Perin and Gaff Manufacturing Company.**	No. 201. October Term, 1887.

Appeal from the Circuit Court of the United States for the District of Indiana.

This is an appeal from the judgment of the Circuit Court of the United States for the District of Indiana, dated June 25th, A. D. 1884, overruling exceptions of the complainant to, and confirming the report of, a Master; adjudging the plea of defendant well taken in law, and sustained by the proofs; and dismissing the bill of complaint with costs against the complainant.

The action was brought for an injunction and damages for an infringement of re-issued letters patent No. 9,198, dated May 11th, 1880, owned by complainant, for an improvement in "metallic stiffeners for boot and shoe heels."

The bill of complaint, after the usual recitals necessary in a suit of this character, sets forth the commencement of an action on said letters patent against Guyon T. Fisher *et al.* in the U. S. Circuit Court, Eastern District of Michigan, on May 22nd, 1880; that after a trial on the merits and argument, the defendants having set up the same facts for a defence as those set up by the defendants herein in

the prior suit hereinafter referred to, the Court decided in favor of the complainant herein, granted a perpetual injunction, and awarded damages. (See page 5 of the Transcript of Record.)

That before the commencement of this action, to wit, in September, 1881, complainant having been informed and believing that the defendant herein was manufacturing a "metallic stiffener for boot and shoe heels," which infringed said re-issued letters patent, filed his bill in equity against said defendants in the U. S. Circuit Court, Southern District of Ohio, to restrain said defendants from further infringement. That the company appeared therein and answered, setting forth, among others, the same defenses as were interposed in the Fisher suit above mentioned, to which answer complainant filed his replication.

That the statutory time to take testimony having expired, and an extension thereof not having been granted, and the complainant not having been able to get the proof of said company manufacturing and selling the infringing device in time, no proofs of any of the facts, matters or things alleged either in the bill of complaint or in the answer was offered or taken, and upon the call of the case before the court, counsel for complainant not appearing, a decree was entered dismissing the bill by default.

That none of the issues were tried, and no decision rendered on the merits thereof, the suit having been dismissed merely for want of prosecution and upon default. (See page 6 of said Transcript.)

The defendants interpose a plea that the prior adjudication and decree of the suit mentioned in said plea (which is the same suit set forth in said bill of complaint), is a bar to the present suit. (See page 9 of said Transcript.)

The cause coming on to be heard on the plea of the defendants to the complainant's bill of complaint, and being argued by the complainant's solicitor, the court, upon consideration thereof, found the said

plea to be good and sufficient, and the complainant, with leave of the court, filed his replication to said plea. (See page 10 of said Transcript.)

The cause, being at issue, was referred to a Master in chancery to take testimony concerning the matters in controversy therein, and to return the same into court with his conclusions of law thereon.

Testimony was taken, and the Master made and filed his report, in and by which said Master concluded, as a matter of law, that the decree mentioned in said plea stands as an absolute adjudication of the rights of the parties upon the merits, and reports and finds that the averments of the plea are sustained by the evidence. (See p. 13 of records.)

The complainant then filed his exceptions to said report of said Master (see page 13 of said Transcript), which exceptions were duly argued before the said court, whereupon said court ordered that the exceptions be overruled and the Master's report confirmed; decreed that the defendant's plea was well taken in law and sustained by the proofs, and dismissed the bill of complaint. (See p. 15 of Transcript.)

From said judgment this appeal is taken.

The complainant claims that the Master erred in the several particulars set forth in the exceptions taken to the Master's report (page 13 of Transcript), and more particularly hereinafter set forth under each point, and that the court erred in overruling the exceptions taken to the Master's report, confirming said report, decreeing defendant's plea well taken in law and sustained by the proofs, and in dismissing the bill of complaint.

POINTS.

I.

It did not appear by the testimony taken before said Master that a judgment was duly entered, signed and enrolled, in an action brought in the U. S. Circuit Court for the Southern District of Ohio, wherein Nelson Lyon was complainant, and said The Perin and Gaff Manufacturing Company was defendant, and that said judgment still remains in full force.

The *decree* in the Ohio suit is found upon page 35 of the

Transcript. Below it is the certificate of the clerk of the court, in the following words, to wit: "I, William C. Howard, clerk of the Circuit Court of the United States within and for the division and district aforesaid, do hereby certify that the foregoing DECREE *is truly taken and correctly copied from the journal of said court.*" As will appear by said certificate, the paper to which such certificate was attached was only a "*decree.*" The clerk does not state *that a judgment was entered on such decree, or that any judgment was entered, and further, he does not state that either said decree, or any judgment thereon, remains in full force and effect.*

There is no evidence in the case as to any judgment. There is no evidence that the *judgment remains in full force*, or was in *force at the time of the filing of the plea by the defendants.*

The certificate is deficient in not stating, if true, all the other necessary particulars.

A former verdict or dismissal on a bill filed for an injunction to restrain the use of a patent is not a bar to a subsequent suit, unless a *judgment was rendered on such verdict against the plaintiff, or the dismissal was on the merits.*

Allen v. Blunt (2 Robb, 288), S. C.; 3 Story, 742, May Term, 1845.

In the course of the trial of the above case the counsel for the defendant, in support of their defense, offered in evidence the record of a court of the United States, for the district of New York, in which the court had directed an issue upon the same points which were now in controversy, and the jury found a verdict upon these points in favor of the defendant. But it further appeared upon the record that no further proceedings were had upon the verdict, and no hearing *was had upon the merits* of the case by the court; but the plaintiff, by the leave of the court, was allowed to dismiss his own bill without any final hearing thereon.

Curtis & Choate, for the plaintiff, contended that, under these circumstances, the record was not admissible as evidence.

Gray & Dexter, for the defendants, contended that

it was, being a verdict upon the very points now in controversy.

Story, J.: "My opinion is that the record is not admissible as evidence. No hearing was ever had by the court subsequently to the verdict, and no decree rendered upon the merits of the case.

A verdict upon an issue ordered by a Court of Equity is, in no just sense, final upon the facts it finds, or binding upon the judgment of the court.

The court may, at pleasure, set it aside, grant a new trial, or, disregarding it, may proceed to hear the cause and decide in contradiction to the verdict; or it may adopt the verdict *sub modo*, and give it a limited effect only.

But it can never be known what effect is given to the verdict, or whether any is given to it, until the subsequent hearing upon the merits, and a decree rendered thereon by the court. Under such circumstances it is plain to me that this verdict is not admissible in evidence, for it has not been sanctioned or established by the court, and without such sanction it is no proof of any fact, but that it was actually rendered in the case, and not proof of the facts found thereby. Indeed, I entertain great doubts whether a verdict rendered in a suit at law is ever evidence of anything but the fact that it was rendered, unless a judgment has been rendered thereon; for judgment may have been arrested therein, or a new trial granted, and then the verdict would become a nullity.

But in a Court of Equity the verdict, independent of the adoption and sanction of it by the court, can establish nothing in the case."

"Section 528. The general rule on this subject was laid down with admirable clearness by Lord Chief Justice DeGrey, in the Duchess of Kingston's case, and has been repeatedly confirmed and followed without qualification.

"From the variety of cases," said he, "relative to

judgments being given in evidence in civil suits, these two deductions seem to follow as generally true: first, that the judgment of a court of concurrent jurisdiction, directly upon the point, is, as a plea, a bar; or, as evidence, conclusive between the same parties, upon the same matter directly in question in another court; secondly, that the judgment of a court of exclusive jurisdiction, directly upon the point, is, in like manner, conclusive upon the same matter, between the same parties, coming incidentally in question in another court, for a different purpose.

"But neither the judgment of a concurrent nor exclusive jurisdiction is evidence of any matter, which came collaterally in question, though within their jurisdiction, nor of any matter incidentally cognizable, nor of any matter to *be inferred by argument from the judgment.*"

"Section 529. It is only where the point in issue has been determined that the judgment is a bar. If the suit is discontinued, or the plaintiff becomes nonsuit, or for any other cause there has been no judgment of the court upon the matter in issue, the proceedings are not conclusive.

"Section 530. So, also, in order to constitute the former judgment a complete bar, it must appear to have been a *decision upon the merits*, and this will be sufficient though the declaration be essentially defective, so that it would have been adjudged bad on demurrer. But if the trial went off on a technical defect, or because the debt was not yet due, or because the court had not jurisdiction, or because of a temporary disability of the plaintiff to sue, or the like, the judgment will be no bar to future action."

1 Greenleaf on Evidence, Redfield's edition, page 563.

II.

The *pretended decree* of the U. S. Circuit Court, in the district of Ohio, offered in evidence, *was not*

a final decree, and the Master erred in holding the same to be a *final* decree, and the court erred in adopting and confirming the Master's conclusion.

The alleged decree was that "the bill of complaint be dismissed, and that the defendant recover its costs, to be taxed."

Something else had to be done before the case was at an end; the defendant had to prepare his bill of costs, and have same taxed, and after that the court entered up judgment, specifying the bill of complaint was dismissed; that the defendant have judgment for the number of dollars and cents therein specified against said complainant; that said defendant have execution therefor; and then the clerk docketed said judgment and enrolled the decree. This *latter decree is a final decree;* the other, or alleged decree, an *interlocutory decree*, liable to be modified or opened or set aside. The *Master himself rather admits that the alleged decree is not a final decree by the use of the words*, "ORDER OF DISMISSAL," in the paragraph (fol. 31). "It is not unusual when the plaintiff's suit is dismissed, either by the court, of its own motion, or by the plaintiff, to save his rights by providing in the *order of dismissal*, or decree, that it was entered without prejudice."

The *alleged decree was a decree entered by default*, and the Master erred in not deciding that said alleged decree was a decree on default, and, therefore, not conclusive or binding. The Master erred in deciding that, in the absence of qualifying words, the decree stands as an absolute adjudication of the rights of the parties upon the merits, and the said Master erred in deciding, "It is not unusual where the plaintiff's suit is dismissed, either by the court, of its own motion, or by the plaintiff, to save his rights by providing, in the order of dismissal, or the decree, that it was *entered without prejudice.*" That said Master erred in deciding said cause in the U. S. Circuit Court, Southern District, of Ohio, "*was submitted in due course*," and that said decree of said

court "was, as it professed to be, an absolute and final adjudication of the rights of the parties."

The court erred in adopting and confirming the said findings and conclusions of said Master.

FIRST. The testimony shows, and the defendant's counsel admits (see page 25 of the record), that the complainant was not represented by counsel, and was not present in the Ohio court when the cause was called; that the said complainant was not heard, either orally or by brief; that no testimony was taken by either party or filed in the case; the clerk of said court (see fol. 78, page 36) certified that "no proof or testimony was filed in said cause in his office for either the complainant or defendant; that at the time of granting of the decree therein, May 4, 1882, the complainant did not appear, nor was he represented by counsel, and that *said decree dismissing the complainant's bill was granted on default of the complainant.*"

The Master, in his report (fol. 29, page 12), states that the admissions and statements of counsel, as above set forth, and as fully set forth in his report, was a part of the evidence.

It being admitted by the counsel for both parties, and such admissions being taken and held as evidence by the Master, and it being certified by the clerk of the court, that the order was taken and granted by default, the Master should have so held.

SECOND. If the complainant was not present, or represented by counsel, and if he was not heard either orally or by brief, as was the case in the Ohio court, how could he have provided, in the order of dismissal, or in a decree entered thereon, that such order or decree *was entered without prejudice?* What interest has a court in the matter before it to take the trouble to interpolate, in an order of dismissal, a restriction, or a lot of words which show that the order was given without prejudice to the complainant? In many instances — and it is to be

presumed it is so in this instance — the order is drawn by the defendant's counsel and handed to the court. The counsel puts in what he considers a benefit to his client, and it is very seldom that a court, in the hurry of business, will insert new matter not suggested by such counsel in the order.

THIRD. *A dismissal by default cannot be a determination upon the merits. A determination not on the merits cannot be an absolute adjudication of the right of the parties upon the merits; consequently, a dismissal by default cannot be an absolute adjudication of the rights of the parties on the merits.* What was adjudged? There was no testimony taken. There was nothing in the case to show what device the defendant made, or sold, or used, that the complainant claimed infringed the patent in suit. There was nothing to show whether or not the defendant either made or sold, or used any article, whether an infringement or not. There was nothing to show which claim of the patent was infringed, if any was infringed. Suppose the original complaint was dismissed on the merits because complainant was not able to show that the defendant had made, used or sold infringing devices up to the time of the dismissal, would he be barred from bringing a suit on the same patent against the same defendant subsequently to such dismissal, if he found defendants actually infringed, and had the proof thereof?

"A dismissal of a complaint by default, or for want of prosecution, is no bar to the commencement of another action against the same defendant by the same complainant for same cause of action. There has been no judgment rendered on the merits. Nothing has been adjudged."

Allen v. Blunt, supra.

A former adjudication is an estoppel only as to the matters in issue, or points in controversy, upon

the determination of which the judgment was rendered.

Cromwell v. County of Sac., 94 U. S., 351.
Buerk v. Imhauser, 10 O. G., 907.
De Florez v. Reynolds, 16 Blatchf, 408.

Complainant brought a suit in another district against the defendant, founded upon the same patent, and the court in that suit declared three of the claims void for want of novelty, but sustained the fourth claim, and entered an interlocutory decree, referring the case to a Master to take an account; *held* that, as the decree was not final, it did not make the question of the novelty of the claim *res adjudicata*.

Rumford Chemical Works v. Hecker, 2 Banning & Arden, 351.
District of New Jersey, Nixon, Justice, 1876.

A decree of a Circuit Court taken *pro confesso* will not preclude full inquiry and investigation by another court.

Everet v. Thather, 3 Banning & Arden, 435.
Before Baxter and Welker, JJ., North. Dist. of Ohio, Sept., 1878, Judge Baxter rendering the decision.

A suit which is dismissed for want of prosecution is no bar to a subsequent suit for the same cause of action.

American Diamond Rock Boring Co. v. Sheldon, 4 Banning & Arden, 551.
Wheeler, J., District of Vermont, October, 1879.

In the above case Wheeler, J., says: "The proofs do not at all show that "the bill there was for the same relief as this one." The making and selling these machines to these defendants may have been long subsequent to the bringing of that bill and even to the decree. If the bill had been for the same relief, and had been dismissed on its merits, it would

have been entirely conclusive as between the parties to it and their privies, as to that cause of action, upon every question which might have been raised concerning it, whether actually made upon pleadings, or evidence, or arguments of counsel, or considered by the court or not.

The record produced—and that is the only evidence upon this subject — fails to show that any question open here was, in fact, passed upon there. It shows that the bill was dismissed, with costs, but shows no ground upon which it was dismissed, except the want of appearance of the plaintiff; and a dismissal for that cause is not conclusive in favor of the defendant, even upon another suit for the same relief.

Mitf. Ch. Pl., 238.
Canington v. Holly, 1 Dick., 280.
Rosse v. Rust, 4 Johns. Ch. R., 299.
Badger v. Badger, 1 Cliff, 237, 245.
Porter v. Vaughn, 26 Vt., 624.

That suit appears to have been, in reality, dismissed for want of prosecution, and, in effect, is like a nonsuit in an action at law.

This leaves the question of actual infringement, by the machines now in use by the defendants, to be determined here."

Record must show conclusive judgment.

2 North Western Rep., 878.

If, upon the face of the record, *anything is left to conjecture* as to what was necessarily involved and decided, there is no estoppel in it when pleaded, and nothing conclusive in it when offered in evidence.

Russell v. Place, 94 U. S., 606.

Dismissal of a former bill filed by the same complainant, set up as a defense, is insufficient, unless the *record is exhibited.*

Bank of United States v. Beverly, 1 How., 134.

If the first suit was dismissed for defect of pleadings or parties, or a misconception of the form

of proceeding, or the want of jurisdiction, or was *disposed of on any ground which did not go to the merits of the action*, the judgment rendered will prove no bar to another suit. In order that a judgment may constitute a bar to another suit, it must be rendered in a proceeding between the same *parties*, or their privies, and the point of controversy must be the same in both cases, and *must be determined on its merits.*

Hughes v. United States, 4 Wall, 232.
Walden et al. v. Bradley et al., 14 Peters, 156.

After a non-suit a new action may be brought.

Oscanyan v. Winchester R. Arms Co., 103 U. S., 261.

III.

Inasmuch as there was no evidence before the Master to show whether or not steps were taken to have the Ohio order of dismissal modified, said Master erred in deciding "that no steps have ever been taken to modify it" (meaning said order), and the court erred in adopting and confirming said finding.

IV.

The finding and report of the Master was against the evidence — was against the weight of evidence.

The Master erred in admitting in evidence a letter alleged to have been written by Nelson Lyon to the defendant, dated July 29, 1881, because the same was not properly proved.

The Master erred in admitting as evidence the letters patent granted to Vega B. Morton, numbered 226,771, as such evidence was immaterial and irrelevant.

The Master erred in some cases in admitting, and

in other cases in rejecting, testimony herein against the objection of complainant's counsel.

The court erred in following and adopting the rulings and findings of said Master and confirming his report.

1. The defendant's counsel admitted that the complainant was not represented by counsel, and did not appear in person when the Ohio case was before the court; that the complainant was not heard either orally or by brief; that the case was not submitted by the complainant to the court; and that no testimony was taken by either side in said case. The clerk also certified to each of the foregoing facts.

2. The complainant states that the decree in the Ohio court was taken by default — the plea does not deny that fact — consequently the defendant, by not denying that material fact, admitted it.

3. But one witness was sworn before the Master, that witness being the superintendent of the defendant at the factory of the defendants at Jeffersonville, Indiana. It must be remembered that the defendant had two places of doing business — one at Jeffersonville, which was their manufactory, the other at Cincinnati, Ohio, which was their salesroom; that the witness was at Jeffersonville always. The witness says that they commenced to make "heel stiffeners" in the fall of 1880, under the contract with V. B. Morton, of Kentucky. (Q. 9, page 18.)

That *he has no knowledge of the defendants having made or sold any "stiffeners" other than that under and in accordance with the Morton patent.* (Q. 10, page 18.)

That they have others in the employ of the defendants who sell the goods belonging to the company. (Q. 17, page 18.)

That he does not know of every act and sales made by the other salesmen of the defendants. (Page 19, et seq.)

That there were two contracts made by the defendants with Morton about the manufacture of

"heel stiffeners," both of which were in writing—one being made in the fall of 1880, the other Oct. 22, 1881 (the latter being made after the suit in Ohio against the defendant was commenced).

Neither of these contracts are produced in evidence, so that the court can see what the defendants were to do under the several contracts, and the witness, under instruction of the defendant's counsel (fol. 47, page 21), refuses to state what the contents of the contracts were—when they were to expire, and what was to be done under them. He is unable to state to whom the "stiffeners" were first sold, under the first contract.

The "heel stiffeners" made by the defendants under the Morton patent is not exhibited to the Master or the court. Nothing is produced by which the Master can judge of the nature of the infringement in either case, and the complainant is unable to contradict the witness by showing that the devices made under the two contracts are different, or again, that there is a difference between the device claimed in the first suit to infringe and the device claimed in the second suit to infringe.

The devices which the defendant made should have been offered in evidence by the defendant, and the question of change in construction should then have been asked the witness, and in the absence of device the evidence in regard to a change in construction (see Q. 11, page 18) was immaterial and incompetent.

By the refusal of the witness to produce the contracts, or to give evidence as to the contents thereof, the complainant was deprived of the right to show the dissimilarity of the terms of the contracts, if dissimilar, and also the dissimilarity of construction of the devices made under the said contracts.

It is a very singular circumstance that the defendant should make his contracts with Morton—one before the commencement of the Ohio suit, and the other about a month after the Ohio suit was com-

menced; and then again that both such contracts should be in existence and unexpired.

When the witness refused to answer material questions, no matter whether such refusal was by the advice and under the instruction of counsel or not, the Master and the court should have stricken out the deposition and testimony of such witness.

An alleged letter of the complainant, dated July 29, 1887 (see page 27), was offered and received in evidence under complainant's objection that the same was not properly proved. (See after answer 13, page 18.)

The witness testified he had never seen the complainant write; that, as he had never seen the complainant's handwriting, he did not know whether or not the said letter in evidence was in the handwriting of the complainant or not; that he had never written the complainant, and did not know whether the officers of the defendant had written the complainant or not. (See x-Q. 63, et seq., page 23.)

As the very essential, to wit: the knowledge of the handwriting of the complainant, was wanting in this case, the letter was improperly received in evidence.

As the contracts under which the defendants pretended they made the "Morton heel stiffeners" were not produced, and as the witness for the defendants refused to state the contents of such contracts, the Morton patent became irrelevant and immaterial; and, as complainant's counsel objected to the introduction of said patent in evidence, the Master should have refused to admit the same in evidence.

V.

The Master erred in finding and reporting "that the averments of the plea are sustained by the evidence," and the Court erred in adopting such finding.

The complainant, in either of his bills of com-

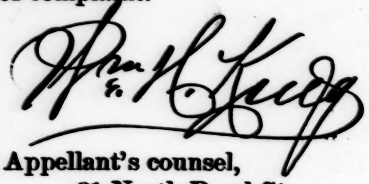
plaint, did not state any particular device that complainant claimed defendant infringed. There was nothing before the Master, nor before the court, to satisfy either or both, whether or not the same device is now claimed to infringe, as was claimed to infringe in the prior suit.

It was not admitted, nor was it proved by the defendant, that the complaints were for the same cause of action. To be sure, the complaints were on the same patent. Neither, however, stated what claim of such patent the defendant infringed.

For all that may appear in the pleadings so far filed, and so far in evidence, the infringement complained of may be for the manufacture, use or sale of a different device than that claimed to be infringed by the first suit, or, again, for a different point of time; or, again, the first might have been for a *manufacture*, while the second was for the *sale or use of something*.

VI.

The judgment of the Circuit Court should be reversed, and the cause remanded to the said court with instructions to overrule the plea of the defendant, and to compel the said defendant to answer the complainant's bill of complaint.



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